



**LOUIS DREYFUS
CORPORATION**

24 Richmond Hill Avenue
Stamford, Connecticut 06904 • Tel. (203) 357-8444

New Number +

-A

(2)

9-094A232

No.
Date **APR 4 1979**
Fee \$ **50.00**

April 3, 1979

RECORDATION NO. 10253-A Filed 1425

APR 4 1979 - 12 10 PM

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
Washington, D.C.

ICC Washington, D. C.

10253

RECORDATION NO. Filed 1425

APR 4 1979 - 12 10 PM

Gentlemen:

INTERSTATE COMMERCE COMMISSION

Enclosed for recordation under the provisions of 49 U.S.C. §11303 are the original and eight counterparts of an Equipment Lease dated as of January 1, 1979 and an Assignment dated April 3, 1979 relating thereto.

A general description of the railroad rolling stock covered by the enclosed documents is set forth in Schedule A attached to this letter and made a part hereof.

The names and addresses of the parties are:

Lessor: Continental Illinois National
Bank and Trust Company of
Chicago, as Trustee under
Dreyfus Trust No. 79-1
231 South LaSalle Street
Chicago, Illinois 60693

Lessee and
Assignor: Louis Dreyfus Corporation
24 Richmond Hill Avenue
Stamford, Connecticut 06904

Assignee: Louis Dreyfus
Transportation Corporation
24 Richmond Hill Avenue
Stamford, Connecticut 06904

The undersigned is the Lessee under the Lease and the Assignor under the Assignment and has knowledge of the matters set forth therein.

Please return the original and six copies of the Equipment Lease and the Assignment to Ronald E. Roden, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.

RECEIVED
FEE OPERATION BR.
I.C.C.

APR 4 12 02 PM '79

RECEIVED

Handwritten signature: Ronald E. Roden



Also enclosed is a check in the amount of \$50.00 covering the required recording fee.

Very truly yours,

LOUIS DREYFUS CORPORATION

By

Its

A handwritten signature in dark ink, appearing to be "Gerald Coward", is written over a horizontal line.

Lessee as aforesaid

Enclosures

DESCRIPTION OF ITEMS OF EQUIPMENT

Manufacturer of Equipment:	Pullman Incorporated (Pullman Standard Division)
Description and Mark and Number of Items of Equipment:	200 100-ton 4750 cu. ft. Covered Hopper Cars Marked and Numbered LDCX 20000 to LDCX 20199, both inclusive
Base Purchase Price of Equipment:	\$37,300 per Item
Maximum Aggregate Purchase Price of Equipment:	\$8,089,879
Place of Delivery:	Butler, Pennsylvania
Outside Delivery Date:	April 30, 1979
Specifications Applicable to Equipment:	"Specifications for PS-2- OD 100-ton Covered Hopper Cars (4750 cu. ft. capacity) Lot 1014-A, 200 Covered Hopper Cars - ITEL Corporation" issued by Pullman Incorporated (Pullman Standard Division) dated January 16, 1979.

Interstate Commerce Commission
Washington, D.C. 20423

4/4/79

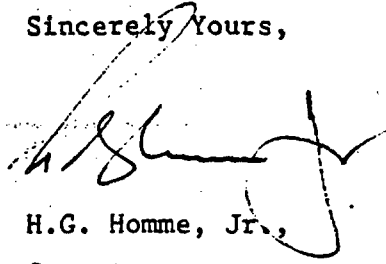
OFFICE OF THE SECRETARY

Ronald E. Roden, Esq.
Chapman & Cutler
111 West Monroe Street
Chicago, Illinois 60603

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on 4/4/79 at 12:10pm' and assigned recordation number(s) 10253 & 10253-A

Sincerely Yours,


H.G. Homme, Jr.,
Secretary

Enclosure(s)

SE-30-T
(2/78)

NEW NUMBER

10253

RECORDATION NO. Filed 1425

APR 4 1979 - 12 10 PM

INTERSTATE COMMERCE COMMISSION

EQUIPMENT LEASE

Dated as of January 1, 1979

BETWEEN

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO, as Trustee

LESSOR

AND

LOUIS DREYFUS CORPORATION

LESSEE

(Dreyfus Trust No. 79-1)
(200 Covered Hopper Cars)

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ATTACHMENTS TO EQUIPMENT LEASE:

Schedule A - Description of Items of Equipment

Schedule B - Certificate of Acceptance Under
Equipment Lease

Schedule C - Schedule of Casualty Value

Schedule D - Schedule of Termination Value

Schedule E - Schedule of Tax Assumptions

Exhibit 1 - Form of Escrow Agreement

LOUIS DREYFUS CORPORATION

EQUIPMENT LEASE

THIS EQUIPMENT LEASE dated as of January 1, 1979 between CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, as trustee (the "Lessor") under a Trust Agreement dated as of January 1, 1979 (the "Trust Agreement") with CI TRANSPORTATION LEASING CORPORATION, a Delaware corporation (the "Trustor"), and LOUIS DREYFUS CORPORATION, a New York corporation (the "Lessee");

R E C I T A L S:

A. Pursuant to a Purchase Agreement dated as of January 1, 1979, Itel Corporation (the "Seller") has agreed to sell to the Lessor the Equipment referred to below, which Equipment is to be constructed by Pullman Incorporated (Pullman Standard Division) [the "Manufacturer"].

B. The Lessee and the Lessor intend to enter into a Participation Agreement dated as of January 1, 1979 (the "Participation Agreement") with the Trustor and The Northwestern Mutual Life Insurance Company (the "Note Purchaser"), providing for the commitment of the Note Purchaser which, together with the commitment provided by the Trustor, the Lessor has stated will permit the Lessor to obtain the funds necessary to purchase the equipment (collectively the "Equipment" and individually an "Item of Equipment") described in Schedule A hereto and made a part hereof. The Trustor has agreed to commit to advance an amount equal to 40.124% of the Purchase Price of each Item of Equipment and the Note Purchaser has agreed to commit to purchase the Secured Notes (the "Notes") of the Lessor in an amount equal to 59.876% of each Item of Equipment. It is contemplated that the Participation Agreement will provide that the Notes will be secured by an assignment of the Lessor's right, title and interest in and to this Lease and in and to the Equipment pursuant to a Security Agreement dated as of January 1, 1979 (the "Security Agreement") from the Lessor to the Note Purchaser.

SECTION 1. LEASE AND DELIVERY OF EQUIPMENT.

1.1. Intent to Lease and Hire. Upon acceptance of delivery of each Item of Equipment by the Lessee on behalf of the Lessor under the Lease as provided in Section 1.2 hereof, the Lessee shall lease and let from the Lessor, and the Lessor shall lease and let to the Lessee, such Item of Equipment for the rental and on and subject to the terms and conditions herein set forth.

1.2. Inspection and Acceptance. The Lessor will cause each Item of Equipment to be tendered to the Lessee at the place of delivery set forth in Schedule A. Upon such tender, the Lessee will cause an inspector designated and authorized by the Lessee to inspect the same, and, if such Item of Equipment is found to be in good order (as described in Section 1.3), to accept delivery of such Item of Equipment by executing and delivering to the Lessor and the Seller a Certificate of Acceptance (the "Certificate of Acceptance") in the form attached hereto as Schedule B with respect to such Item of Equipment; provided, however, that the Lessee shall not accept and the Lessor shall have no obligation to lease any Item of Equipment so tendered for delivery for which a Certificate of Acceptance is not issued before the Outside Delivery Date therefor set forth in Schedule A.

1.3. Certificate of Acceptance. The Lessee's execution and delivery to the Lessor and the Seller of a Certificate of Acceptance with respect to each Item of Equipment shall conclusively establish that, as between the Lessor and the Lessee, but without limiting or otherwise affecting the Lessee's or the Lessor's rights, if any, against the Seller or the Manufacturer, such Item of Equipment is acceptable to and accepted by the Lessee under this Lease, notwithstanding any defect with respect to design, manufacture, condition or in any other respect, and that such Item of Equipment is in good order and condition and appears to conform to the Manufacturer's specifications described in Schedule A hereto (the "Specifications") and to all applicable United States Department of Transportation and Interstate Commerce Commission requirements and specifications, if any, and to all standards recommended by the Association of American Railroads applicable to new railroad equipment of the character of the Equipment as of the date of this Lease. By execution and delivery of such Certificate of Acceptance, the Lessee represents that it has no knowledge of any such defect. If the Lessee has knowledge of any such defect in respect of any Item of Equipment, it shall not be obligated to execute and deliver a Certificate of Acceptance with respect to such Item.

SECTION 2. RENTALS AND PAYMENT DATES.

2.1. Rent for Equipment. The Lessee agrees to pay the Lessor for each Item of Equipment 240 monthly installments of fixed rental (the "Fixed Rental"), payable in arrears, each in the amount of \$248.66.

2.2. Rent Payment Dates. The first installment of Fixed Rental for each Item of Equipment shall be due and payable one month following the Term Lease Commencement Date (as defined in Section 3 hereof) and the balance of said installments shall be payable at one month intervals thereafter with the final such installment payable twenty years following the Term Lease Commencement Date. If any of the rent payment dates is not a business day, the rent payment otherwise payable on such date shall be payable on the next succeeding business day. For purposes of this Lease,

the term "business day" means calendar days, excluding Saturdays, Sundays and holidays on which banks in the State of Illinois or Connecticut or New York are authorized or required to close.

2.3. Place and Manner of Rent Payment. The Lessor instructs the Lessee to make all payments due hereunder as follows:

(a) Each installment of Fixed Rental shall be paid to the Lessor by wire transfer to the principal office of the Lessor at the address thereof provided for notices in Section 20.2 hereof; provided that in the event the Lessor shall notify the Lessee in writing that the right to receive payment of such installment shall have been assigned in accordance with Section 16 hereof, the Lessee shall make such payment by wire transfer to a bank designated in such notice or as otherwise designated from time to time in writing by such assignee; and provided further that in the event such notice shall direct the Lessee to divide such installment into not more than two portions and to pay each portion by wire transfer separately to not more than two parties, the Lessee agrees to do so;

(b) The entire amount of any payment of Casualty Value or Termination Value pursuant to Section 11 hereof shall be paid by wire transfer (identifying the same as a payment of Casualty Value or Termination Value relating to Dreyfus Trust No. 79-1) to the principal office of the Lessor at the address thereof provided for notices in Section 20.2 hereof; provided that in the event the Lessor shall notify the Lessee in writing that the right to receive payment of such Casualty Value or Termination Value shall have been assigned in accordance with Section 16 hereof, the Lessee shall make such payment by wire transfer to a bank in the manner designated in such notice or as otherwise designated from time to time in writing by such assignee;

(c) The amount of any payment of indemnity under Sections 6, 10.2 and 20.8 hereof or any repayment of interest thereon under Section 20.3 hereof or any insurance proceeds under general public liability policies maintained pursuant to Section 11.1 hereof which are owing to the Lessor or the Trustor for its own account and not the account of any assignee pursuant to Section 16 hereof may be made directly to the Lessor or the Trustor;

(d) The amount of any interest due in respect of the late payment of any rentals or other amounts pursuant to Section 19 hereof shall be paid to the party and in the manner herein provided to receive said rental or other amount; and

(e) All payments other than those above specified shall be made by the Lessee directly to the party to receive the same unless any such payment has previously been made by the Lessor or any assignee under Section 16 hereof, in which case the Lessee shall reimburse the Lessor or such assignee, as the case may be, directly for such payment.

The Lessee agrees that it will make payments due hereunder by wire transfer where specified above prior to 11:00 A.M. New York time on the due date of such payment of Federal or otherwise immediately available funds to the party to whom such payment is to be made, and otherwise by check of the Lessee drawn on a bank located in the continental United States and mailed to the party to receive the same on the due date at the address herein provided or at such other address as the Lessee shall have been advised in writing.

2.4. Net Lease. This Lease is a net lease and the Lessee's obligation to pay all Fixed Rental and other amounts payable hereunder shall be absolute and unconditional under any and all circumstances and, without limiting the generality of the foregoing, the Lessee shall not be entitled to any abatement of rent or reduction thereof, including, but not limited to, abatements or reductions due to any present or future claims of the Lessee against the Lessor under this Lease or otherwise or against any assignee of the Lessor pursuant to Section 16 hereof, nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or failure of title of the Lessor to the Equipment or any defect in or damage to or loss or destruction of all or any of the Equipment from any cause whatsoever, the taking or requisitioning of the Equipment by condemnation or otherwise, the lawful prohibition of the Lessee's use of the Equipment, the interference with such use by any private person or corporation, the invalidity or unenforceability or lack of due authorization or other infirmity of this Lease, or lack of right, power or authority of the Lessor to enter into this Lease, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events unless the obligation to pay the same shall be terminated pursuant to Section 11 hereof, or until, pursuant to Section 13 hereof, the Equipment has been returned to the possession of the Lessor (for all purposes of this Lease any Item of Equipment shall not be deemed to have been returned to the Lessor's possession until all of the Lessee's obligations with respect to the return, transportation and storage thereof have been performed). To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Items of Equipment except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the

Lessee shall not seek to recover all or any part of such payment from the Lessor or any assignee pursuant to Section 16 hereof for any reason whatsoever.

SECTION 3. TERM OF THE LEASE.

The term of this Lease as to each Item of Equipment shall begin on the date of the execution and delivery by the Lessee of the Certificate of Acceptance with respect to all of the Items of Equipment (the "Term Lease Commencement Date") and, subject to the provisions of Sections 11, 14 and 18 hereof, shall terminate twenty (20) years following the Term Lease Commencement Date.

SECTION 4. OWNERSHIP AND MARKING OF EQUIPMENT.

4.1. Retention of Title. The Lessor, as between the Lessor and the Lessee, shall and hereby does retain full legal title to the Equipment notwithstanding the delivery thereof to and possession and use thereof by the Lessee.

4.2. Duty to Number and Mark Equipment. The Lessee will cause each Item of Equipment to be kept numbered with its road number as set forth in Schedule A hereto and will keep and maintain, plainly, distinctly, permanently and conspicuously marked by a plate or stencil printed in contrasting color upon each side of each Item of Equipment in letters not less than one inch in height as follows:

"Leased from a Bank or Trust Company
as Owner-Trustee and subject to a
Security Interest recorded with the
Interstate Commerce Commission"

with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor to such Item of Equipment, its rights under this Lease and the rights of any assignee under Section 16 hereof. The Lessor will notify the Lessee of any such law of which the Lessor has actual knowledge; however, the failure of the Lessor to so notify the Lessee shall not relieve the Lessee of its obligations under this Section 4.2. The Lessee will not place any such Item of Equipment in operation or exercise any control or dominion over the same until the required legend shall have been so marked on both sides thereof and will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Lessee will not change the road number of any Item of Equipment except with the consent of the Lessor and in accordance with a statement of new road numbers to be substituted therefor, which consent and statement previously shall have been filed with the Lessor by the Lessee and filed, recorded or deposited in all public offices where this Lease shall have been filed, recorded or deposited.

4.3. Prohibition Against Certain Designations. Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may cause the Equipment to be lettered with the names or initials or other insignia customarily used by the Lessee or its affiliates or a sublessee permitted under Section 17.2 hereof on railroad equipment used by it or such affiliate or such permitted sublessee of the same or a similar type for convenience of identification of the right of the Lessee or such affiliate or such permitted sublessee to use the Equipment under this Lease.

SECTION 5. DISCLAIMER OF WARRANTIES.

THE LESSOR LEASES THE EQUIPMENT AS-IS, WITHOUT WARRANTY OR REPRESENTATION EITHER EXPRESS OR IMPLIED, AS TO (A) THE FITNESS FOR ANY PARTICULAR PURPOSE OR MERCHANTABILITY OF ANY ITEM OR ITEMS OF EQUIPMENT, INCLUDING WITHOUT LIMITATION THEIR VALUE, CONDITION, DESIGN OR OPERATION (B) THE LESSOR'S TITLE THERETO, (C) THE LESSEE'S RIGHT TO THE QUIET ENJOYMENT THEREOF (EXCEPT THAT THE LESSOR AGREES NOT TO WRONGFULLY INTERFERE WITH THE LESSEE'S QUIET ENJOYMENT THEREOF), OR (D) ANY OTHER MATTER WHATSOEVER, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN THE LESSOR AND THE LESSEE, ARE TO BE BORNE BY THE LESSEE. The Lessor hereby appoints and constitutes the Lessee its agent and attorney-in-fact during the term of this Lease so long as no Event of Default (as defined in Section 14.1 hereof) shall have occurred and be continuing, to assert and enforce, from time to time, in the name and for the account of the Lessor and the Lessee, as their interests may appear, but in all cases at the sole cost and expense of the Lessee, whatever claims and rights the Lessor may have as owner of the Equipment against any manufacturers or contractors in respect thereof. The Lessor will, at the sole cost and expense of the Lessee, execute such instruments and do such other things as will assure that the Lessee will be able to assert and enforce such claims and rights, including, without limitation, permitting the Lessee to assert and enforce such claims and rights in the name of the Lessor.

SECTION 6. LESSEE'S INDEMNITY.

6.1. Scope of Indemnity. The Lessee shall defend, indemnify and save harmless the Lessor (in its individual capacity and as lessor hereunder) and the Trustor and their respective successors and assigns from and against:

(a) any and all loss or damage to the Equipment, usual wear and tear excepted, and

(b) any claim, cause of action, damages, liability, cost or expense (including, without limitation, counsel fees and costs in connection therewith) which may be incurred in any manner

by or for the account of any of them (i) relating to the Equipment or any part thereof, including, without limitation, the purchase, delivery, installation, ownership, leasing or return of the Equipment or as a result of the use, maintenance, repair, replacement, operation or the condition thereof (whether defects are latent or discoverable by the Lessor or by the Lessee), (ii) by reason or as the result of any act or omission of the Lessee for itself or as agent or attorney-in-fact for the Lessor hereunder or under any of the Operative Agreements (as defined in the Participation Agreement and hereinafter referred to as the "Operative Agreements"), (iii) as a result of claims for patent infringements, or (iv) as a result of claims for negligence or strict liability in tort.

6.2. Continuation of Indemnities and Assumptions. The indemnities and assumptions of liability in this Section 6 contained shall continue in full force and effect notwithstanding the termination of this Lease, or the termination of the term hereof in respect of any one or more Items of Equipment, whether by expiration of time, by operation of law or otherwise; provided, however, that such indemnities and assumptions of liability shall not apply in respect of any matters referred to in subsection (a) or clause (i), (ii) or (iv) of subsection (b) of Section 6.1 hereof, occurring after the termination of this Lease in respect of any such Item of Equipment, except for any such matters occurring after the termination arising in connection with the Lessee's assembling, delivering, storing or transporting of such Item of Equipment as provided in Section 13 or 15, as the case may be. Upon receipt by the Lessor, the Trustor or any assignee of either of notice of any claim or liability indemnified against under this Section 6, such party shall promptly notify the Lessee of such claim or liability. The Lessee shall be entitled to control, and shall assume full responsibility for, the defense of such claim or liability, and may select such counsel as it deems appropriate, in connection with such claim or liability; provided that, if the party to be indemnified shall reasonably determine that it is in the best interests of such party to appoint another counsel to represent such party, then the Lessee agrees to the appointment of such other counsel as such party shall select and to pay the reasonable fees and expenses thereof. The Lessor and the Lessee shall use their best efforts to cooperate with each other in the defense of any such claim or liability. Upon payment in full of the amount required to be paid to any party indemnified pursuant to this Section 6, the Lessee shall be subrogated to any rights of such party in respect of the claim or liability against which the indemnity has been given. The indemnities and assumptions of liabilities set forth in this Section 6 do not constitute a guaranty of a residual value in the Equipment nor a guaranty of payment of the Notes.

SECTION 7. RULES, LAWS AND REGULATIONS.

Except as may be provided in Section 13 for the period after the termination of this Lease in accordance with said Section 13, the Lessee agrees to comply with all governmental laws, regulations, requirements and rules (including, without limitation, the rules of the United States Department of Transportation, the Interstate Commerce Commission and the current Interchange Rules or supplements thereto of the Mechanical Division, Association of American Railroads as the same may be in effect from time to time [the "Interchange Rules"]) with respect to the use and maintenance of each Item of Equipment. In case any equipment or appliance is required to be changed, added, replaced or installed on such Item of Equipment in order to comply with such laws, regulations, requirements and rules, the Lessee agrees to make such changes, additions, installations and replacements at its own expense.

SECTION 8. USE AND MAINTENANCE OF EQUIPMENT.

The Lessee shall use the Equipment only in the manner for which it was designed and intended by the Manufacturer as evidenced by the Specifications and so as to subject it only to ordinary wear and tear. The Lessee shall, at its own cost and expense, maintain and keep the Equipment in good order, condition and repair, ordinary wear and tear excepted, suitable for use in interchange in accordance with the Interchange Rules. Except as required by the provisions of Section 7 hereof, the Lessee shall not modify any Item of Equipment without the prior written authority and approval of the Lessor which shall not be unreasonably withheld. Any parts installed or replacements made by the Lessee upon any Item of Equipment pursuant to Section 7 hereof or pursuant to its obligation to maintain and keep the Equipment in good order, condition and repair under this Section 8 shall be considered accessions to such Item of Equipment and title thereto shall be immediately vested in the Lessor without cost or expense to the Lessor. The Lessee shall make no other additions or improvements to any Item of Equipment unless the same are readily removable without causing material damage to such Item of Equipment. If the Lessee shall at its cost cause such readily removable additions or improvements to be made to any Item of Equipment, the Lessee agrees that it will, prior to the return of such Item of Equipment to the Lessor hereunder, remove the same at its own expense without causing material damage to such Item of Equipment. Title to any such readily removable additions or improvements shall remain with the Lessee.

SECTION 9. LIENS ON THE EQUIPMENT.

The Lessee shall pay or satisfy and discharge any liens or charges levied against or imposed upon any Item of Equipment which arise from or are the result of (i) claims against, through or under the Lessee and its successors or assigns or (ii) the failure of the

Lessee to perform or observe any of its covenants or agreements under this Lease, but the Lessee shall not be required to pay or discharge any such liens or charges so long as:

(a) it shall, in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of the Lessor or the rights of any assignee under Section 16 hereof in and to the Equipment, and

(b) it shall deposit with the Lessor cash or other security satisfactory to the Lessor in an amount sufficient in the opinion of the Lessor to pay and discharge or to assure compliance with the matter under contest in the event of a final determination thereof adverse to the Lessee to the extent such cash or other security has not theretofore been deposited with or pursuant to order of the court having jurisdiction of such contest. If the Lessee shall have made a deposit with the Lessor pursuant to this clause (b) and the Lessee thereafter shall be required to deposit cash or other security with such court then the Lessor will, concurrently with such deposit, release to the Lessee an amount equal to the amount so deposited; provided that the aggregate amount deposited with such court and the Lessor shall be an amount sufficient in the opinion of the Lessor to pay and discharge or to assure compliance with the matter under contest in the event of a final determination thereof adverse to the Lessee. On final disposition of such contest, any cash or security in possession of the Lessor which is not required to pay or discharge or assure compliance with the matter contested shall be returned to the Lessee.

The Lessee's obligations under this Section 9 shall survive the termination of this Lease.

SECTION 10. FILING, PAYMENT OF FEES AND TAXES.

10.1. Filing. The Lessee will, at its sole expense, cause this Lease and any security agreement and/or assignment, if any, executed by the Lessor with respect to any Item of Equipment or this Lease to be duly filed, registered or recorded with the Interstate Commerce Commission in accordance with 49 U.S.C. §11303 and in such other places within or without the United States as the Lessor may reasonably request for the protection of its title or the security interest of the secured party under any such security agreement and/or assignment and will furnish the Lessor proof thereof. The Lessee will, from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register and record (and will refile, re-register or re-record whenever required) any and all further

instruments (including any assignments or subleases permitted by Section 17.2 hereof) required by law or reasonably requested by the Lessor, for the purpose of protecting the Lessor's title to, or such secured party's security interest in, the Equipment to the reasonable satisfaction of the Lessor's or such secured party's counsel or for the purpose of carrying out the intention of this Lease, and in connection with any such action, will deliver to the Lessor proof of such filings and an opinion of the Lessee's counsel that such action has been properly taken. The Lessee will pay all costs, charges and expenses incident to any such filing, refiling, recording and rerecording or depositing and redepositing of any such instruments or incident to the taking of such action. The Lessor will notify the Lessee of any change in the Lessor's name or address which would require any further filing, re-filing, recording or re-recording; however, the failure of the Lessor to so notify the Lessee shall not relieve the Lessee of its obligations under this Section 10.1.

10.2. Payment of Taxes. (a) The Lessee agrees to pay (and does hereby agree to indemnify and hold the Lessor (in its individual capacity and as lessor hereunder) and the Trustor and their respective successors and assigns (the "Indemnitees") harmless, on an after-tax basis, from and against) all sales, use, excise, personal property, income, gross receipts, leasing, leasing use, stamp or other taxes, levies, imposts, duties, charges or withholdings of any nature (together with any penalties, fines or interest thereon except to the extent that such penalty, fine or interest is solely attributable to an act or omission by such Indemnatee and not to an act or omission by the Lessee) imposed against such Indemnatee, the Lessee or the Equipment by any foreign, Federal, state or local government or taxing authority upon or with respect to the Equipment or upon the purchase, ownership, delivery, lease, possession, rental, use, operation, return, sale or other disposition thereof hereunder or in connection herewith, or upon the rental, receipts or earnings therefrom, or upon or with respect to this Lease, or to the extent that, as a consequence of this Lease, such Indemnatee has items of tax preference resulting in the imposition of any minimum taxes (excluding, however, taxes measured solely by income after deductions of such Indemnatee imposed by the United States or the jurisdiction in which the principal office of such Indemnatee is located), unless, and to the extent only that, any such tax, levy, impost, duty, charge or withholding is being contested by the Lessee in good faith and by appropriate proceedings and such contest does not adversely affect the title, property or rights therein of such Indemnatee herein or under the Security Agreement; provided, however, that the Lessee (i) shall give prompt notice to such Indemnatee if it elects to contest any such tax, levy, impost, duty, charge or withholding, (ii) shall furnish to such Indemnatee, on request, an opinion of the Lessee's counsel with respect to the merits of such contest, and (iii) shall deposit with such Indemnatee cash or other security satisfactory to such Indemnatee in an amount sufficient in the opinion of such Indemnatee to pay and discharge or to assure compliance with the matter under contest in the event of a final

determination thereof adverse to the Lessee. Any deposit made pursuant to the immediately preceding sentence shall be held in an interest-bearing account, the interest on which shall be the property of the Lessee. On final disposition of such contest, any cash or security in possession of such Indemnatee which is not required to pay or discharge assure compliance with the matter contested shall be returned to the Lessee. Notwithstanding the foregoing, the Lessee's liability under this Section 10.2 with respect to net income taxes imposed upon the Indemnatee by states other than the state in which the Indemnatee's principal office is located shall be limited to the amount by which (A) the aggregate amount of all such state income taxes (including income tax imposed by the state in which the Indemnatee's principal office is located) exceeds (B) the amount of all such state income taxes which would have been payable if the equipment had been located and operated at all relevant times in the state in which the Indemnatee's principal office is located. Further, the Lessee shall not be obligated under this Section 10.2 with respect to foreign taxes imposed on the net income of the Indemnatee if and to the extent that the Indemnatee actually realizes the benefit of a credit for such foreign taxes against its Federal income tax liability for the taxable year in which such foreign taxes are payable; provided, however, that if the Lessee shall have paid (or reimbursed the Indemnatee for) any such foreign net income taxes for any year, and in a subsequent taxable year the Indemnatee actually receives the benefit of a credit for such taxes against its Federal income tax liability, the Indemnatee shall refund to the Lessee the sum of (x) the amount of such foreign net income taxes so paid by the Lessee to the extent of such benefit plus (y) the amount of any income tax saved by the Indemnatee that would result from the claiming of allowable deductions in respect of its payment to the Lessee of its payment to the Lessee of amounts referred to in clause (x) above, and its payment to the Lessee of amounts pursuant to this clause (y). For purposes of determining whether the Indemnatee has realized the benefit of a credit for such foreign net income taxes against its Federal income tax liability for any taxable year, the Indemnatee shall be deemed first to have realized the benefit of credits against its Federal income tax liability for all other foreign taxes (not relating to the Equipment or this Lease) for such year.

(b) If a payment by the Lessee pursuant to Section 10.2(a) above is required to be included in the gross income of the Indemnitees for Federal or state income tax purposes under circumstances in which the Indemnitees are not entitled to deduct such amount or the item so indemnified if payment is made to the Indemnitees in the same taxable year, then the Lessee shall pay the Indemnitees an amount which, after subtracting Federal or state income taxes required to be paid by the Indemnitees in respect thereof, shall be equal to the amount of the net additional Federal or state income tax required to be paid by the Indemnitees (including interest or penalties to the extent that such interest and penalties exceed the tax benefit from any allowable deduction

of such interest and penalties). If the Indemnitees have received a payment pursuant to this Section 10.2(b) by reason of a cost described in Section 10.2(a) and the Indemnitees receive a tax benefit in subsequent year or years by reason of incurring such cost, the Indemnitees shall pay to the Lessee the sum of (x) an amount equal to the income tax benefit realized by the Indemnitees in such subsequent year or years, and (y) the amount of any income tax saved by the Indemnitees that would result from the claiming of any allowable deduction in respect of their payment to the Lessee of amounts referred to in clause (x) above, and their payment to the Lessee of amounts pursuant to this clause (y).

(c) Notwithstanding anything to the contrary herein, the Lessee shall not be responsible for the payment of any taxes, levies, imports, duties or charges which arise by reason of any transfer or assignment by the Trustor of its interest in the Equipment or this Lease. The Lessee agrees to file, on behalf of any Indemnatee, all required tax returns and reports concerning the Equipment with all appropriate governmental agencies and to furnish such Indemnatee a copy of each such return or report, including evidence of payment, within 30 days after the due date of such filing; provided, however, that in the event the Lessee is not permitted to file such returns and reports on behalf of such Indemnatee or such returns and reports require information that is unavailable to the Lessee, then the Lessee agrees to prepare and forward all such returns and reports or such information that is available to the Lessee if such return and report require information that is unavailable to the Lessee to such Indemnatee in a timely manner with appropriate instructions to such Indemnatee as to their filing. The Lessee shall not be obligated under this Section 10.2 for indemnification with respect to any taxes hereinabove referred to which are included in the Purchase Price of any Item of Equipment.

SECTION 11. INSURANCE; PAYMENT FOR CASUALTY OCCURRENCE.

11.1. Insurance. The Lessee agrees that it will at all times during the term of this Lease and at no cost or expense to the Lessor, the Trustor or any assignee under Section 16 hereof keep each Item of Equipment insured against loss by fire, windstorm and explosion and with extended coverage and against such other risks as are customarily insured against by companies owning railroad cars of a similar character as the Equipment and engaged in a business similar to that engaged in by the Lessee at not less than the Casualty Value (as defined in Section 11.7 hereof) of such Item of Equipment as of the next following date on which a payment of Fixed Rental is due, and will maintain general public liability insurance with respect to the Equipment against damage because of bodily injury, including death, or damage to property of others, such insurance to afford protection to the limit of not less than \$13,000,000 per occurrence and \$13,000,000 in the aggregate in any one year. Any such insurance may have applicable thereto deductible provisions to no greater extent than in effect for insurance coverage for any equipment similar to the Equipment owned or leased by the Lessee

and in no event greater than \$1,000 and may be carried under blanket policies maintained by the Lessee so long as such policies otherwise comply with the provisions of this Section 11.1. All such insurance shall cover the interests of the Lessor and the Lessee in the Equipment or, as the case may be, shall protect the Lessor and the Lessee in respect of risks arising out of the condition, maintenance, use, ownership or operation of the Equipment and shall provide that losses, if any, in respect of the Equipment shall be payable to the Lessee and the Lessor as their respective interests may appear; provided, however, that upon receipt by the Lessee of notice of the assignment of this Lease and the rents and other sums payable hereunder, as provided in Section 16 hereof, the Lessee shall cause the insurance on the Equipment to provide that the losses, if any, shall be payable (except as provided below) to any assignee under Section 16 hereof under a standard mortgage loss payable clause, satisfactory to the Lessor and such assignee, which shall provide (i) that the insurer thereunder waives all rights of subrogation against the Lessor, the Lessee, the Trustor and such assignee, (ii) that ten days' prior written notice of cancellation shall be given to such assignee and the Lessor, and (iii) that such insurance as to the interest of such assignee and the Lessor therein shall not be invalidated by any act or neglect of the Lessor, the Lessee or the Trustor or by any foreclosure or other remedial proceedings or notices thereof relating to the Equipment or any interest therein, or by any change in the title or ownership of the Equipment or any interest therein or with respect thereto (including, without limitation, the use by or subleasing to another party so permitted by this Lease), or by the use or operation of the Equipment for purposes more hazardous or in a manner more hazardous than is permitted by such policy or for any breach or violation by the Lessee of warranties or conditions set forth in such policy. All such policies shall provide that the loss, if any, thereunder shall be adjusted and paid as provided in this Lease. The Lessee shall furnish the Lessor and any such assignee with certificates or other satisfactory evidence of maintenance of the insurance required hereunder and with respect to any renewal policy or policies shall furnish certificates evidencing such renewal prior to the expiration date of the original policy or policies. All insurance provided for in this Section 11.1 shall be effected with insurance companies approved by the Lessor and such assignee, which approval shall not be unreasonably withheld.

The proceeds of any insurance received by the Lessor or or any assignee under Section 16 hereof on account of or for any loss or casualty in respect of any Item of Equipment shall be released to the Lessee either (i) upon a written application signed by the President, any Vice President or the Treasurer of the Lessee for the payment of, or to reimburse the Lessee for the payment of, the cost of repairing or restoring the Item of Equipment which has been damaged (which application shall be accompanied by satisfactory evidence of such cost and of the completion of such repair or restoration), or (ii) if this Lease is terminated with respect to such Item of Equipment pursuant to Section 11.4 or 11.5 promptly upon payment by the Lessee of the Casualty Value or, as the case may be, the Termination

Value to the Lessor or such assignee; provided that, if the Lessee is at the time of the application in default in the payment of any other liability of the Lessee to the Lessor hereunder or such assignee, such proceeds shall be applied against such liability.

11.2. Duty of Lessee to Notify Lessor. In the event that any Item of Equipment shall be or become lost, stolen, destroyed, or, in the opinion of the Lessee, irreparably damaged during the term of this Lease, including any renewal term hereunder, or thereafter while the Item of Equipment is in the possession of the Lessee pursuant to Section 13 or 15 hereof, or shall be requisitioned or taken by any governmental authority under the power of eminent domain or otherwise during the term of this Lease, including any renewal terms hereunder (any such occurrence, except for any requisition which by its terms is for an indefinite period or is for a stated period which does not exceed the term of this Lease, being hereinafter called a "Casualty Occurrence"), the Lessee shall promptly and fully (after it has actual knowledge of such Casualty Occurrence) inform the Lessor in regard thereto and shall pay the Casualty Value (as defined in Section 11.7 hereof) of such Item in accordance with the terms of Section 11.3 hereof.

11.3. Sum Payable for Casualty Loss. The Lessee, on the next succeeding rent payment date following its knowledge of a Casualty Occurrence with respect to any Item or Items of Equipment, shall pay to the Lessor the Fixed Rental installment due on such payment date for such Item of Equipment plus any rentals or other sums due hereunder on or prior to such date remaining unpaid plus a sum equal to the Casualty Value of such Item of Equipment as of such payment date.

11.4. Early Termination. Upon not less than 180 days' prior written notice to the Lessor and any assignee under Section 16 hereof and so long as no Event of Default has occurred and is continuing, the Lessee may terminate this Lease as to either (x) all (but not less than all) of the Items of Equipment or (y) a group of 100 Items of Equipment on the 121st Fixed Rental payment date or on any Fixed Rental payment date thereafter (the "Termination Date") upon payment of the amounts hereinafter set forth, provided that if such termination shall be as to a group of 100 Items of Equipment, the Lessee shall deliver to the Lessor on or prior to such Termination Date a certificate of an independent appraisal company selected by the Lessee and satisfactory to the Lessor to the effect that the condition of the Items in such group shall be representative of the condition of all Items of Equipment subject to the Lease at the time of such termination. Such notice shall identify the Items of Equipment with respect to which this Lease is being terminated and the Termination Date on which payment will be made. On such Termination Date the Lessee shall pay to the Lessor (i) the Fixed Rental installment due on such date for such Items of Equipment, plus (ii) any rentals or any other sums due on or prior to such date then remaining unpaid, plus (iii) an amount equal to the Termination Value of such Items of Equipment as

of such Termination Date, plus (iv) an amount equal to the premium payable upon the prepayment of the Notes on such Termination Date pursuant to Section 4.1(c) of the Security Agreement.

11.5. Rent Termination. Upon (and not until) payment of all sums required to be paid pursuant to Section 11.3 or 11.4, as the case may be, in respect of any Item or Items of Equipment, the obligation to pay rent for such Item or Items of Equipment accruing subsequent to the Casualty Value or Termination Value, as the case may be, payment date shall terminate, but the Lessee shall continue to pay rent for all other Items of Equipment.

11.6. Disposition of Equipment. Provided that no Event of Default or other event (a "Default") which with the lapse of time or the giving of notice, or both, would constitute such an Event of Default shall have occurred and be continuing or if, notwithstanding either such event, the Lessor shall have so directed, the Lessee shall, as agent for the Lessor, dispose of such Item or Items of Equipment for which settlement has been made pursuant to Section 11.3 or 11.4 as soon as it is able to do so in the normal course of business for the fair market value thereof. Any such disposition shall be on an "as-is, where-is" basis without representation or warranty, express or implied and may be to the Lessee, provided that any such disposition to the Lessee shall be at a purchase price not less than the fair market value of the Items so purchased. Provided that (i) the Casualty Value or Termination Value and all other sums due hereunder in respect of any Item of Equipment have been paid in full by the Lessee and (ii) no Default or Event of Default shall have occurred and be continuing, the Lessee, as to each such Item of Equipment so disposed of, may retain (a) all amounts arising from such disposition plus, in the case of a Casualty Occurrence, any insurance proceeds and damages received by the Lessee by reason of such Casualty Occurrence up to the Casualty Value attributable thereto and in the case of an early termination pursuant to Section 11.4, up to the Termination Value plus any premium paid pursuant to said Section 11.4, plus (b) one-half of all reasonable expenses incurred by the Lessee directly attributable to such disposition, and (c) shall remit the excess, if any, to the Lessor. It is understood and agreed that the Lessor shall not be liable to the Lessee for any costs or expenses incurred by the Lessee in connection with the disposition of any Item of Equipment except with respect to the retention of expenses from the proceeds of such disposition to the extent expressly set forth in the next preceding sentence.

11.7. Casualty Value. The Casualty Value of each Item of Equipment shall be an amount determined as of the date the Casualty Value is paid as provided in this Section 11 (and not the date of the Casualty Occurrence) equal to the product obtained by multiplying (i) that percentage of the Purchase Price (as defined in the Participation Agreement) of such Item of Equipment set forth in the Schedule of Casualty Value attached hereto as Schedule C opposite such date of payment, times (ii) the Purchase Price of such Item of Equipment.

11.8. Termination Value. The Termination Value of each Item of Equipment shall be an amount determined as of the Termination Date as provided in Section 11.4 hereof equal to the product obtained by multiplying (i) that percentage of the Purchase Price of such Item of Equipment set forth in the Schedule of Termination Value attached hereto as Schedule D for the Termination Date on which such Termination Value is to be paid, times (ii) the Purchase Price of such Item of Equipment.

11.9. Risk of Loss. The Lessee shall bear the risk of loss and, except as hereinabove in this Section 11 provided, shall not be released from its obligations hereunder in the event of any Casualty Occurrence to or an early termination pursuant to Section 11.4 in respect of any Item of Equipment from and after the date hereof and continuing until payment of the Casualty Value or Termination Value, as the case may be, and all rental installments, premium, if any, and other sums due on and prior to the date of payment of such Casualty Value or Termination Value, as the case may be, in respect of such Item of Equipment have been made, such Item or the salvage thereof has been disposed of by the Lessee and the title to such Item or the salvage thereof and all risk of loss and liabilities incident to ownership have been transferred to the purchaser of such Item or the salvage thereof; provided that if the Lessee shall have paid in full all amounts due pursuant to Section 11.4 hereof in respect of any Item of Equipment and such Item shall suffer a Casualty Occurrence prior to the disposition of such Item by the Lessee pursuant to Section 11.6 hereof, then the Lessee shall promptly pay to Lessor the excess of the Casualty Value of such Item (determined as of the Termination Date of such Item) over the Termination Value thereof.

11.10. Eminent Domain. In the event that during the term of this Lease the use of any Item of Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for an indefinite period or for a stated period which does not exceed the term of this Lease then in effect, the Lessee's obligation to pay rent shall continue for the duration of such requisition or taking. Unless an Event of Default shall have occurred and be continuing, the Lessee shall be entitled to receive and retain for its own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession.

SECTION 12. ANNUAL REPORTS; INSPECTION RIGHTS.

12.1. Duty of Lessee to Furnish. On or before March 31 in each year, commencing with the year 1980, the Lessee will furnish to the Lessor an accurate statement, as of the preceding December 31 (a) showing the amount, description and numbers of the Items of Equipment then leased hereunder, the amount, description and numbers of all Items of Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Lease, in

modifications to the Items of Equipment so as to bring them into compliance with new United States Department of Transportation and Interstate Commerce Commission requirements and specifications or new standards recommended by the American Association of Railroads if such new requirements, specifications or standards become effective after the expiration of the term of this Lease; provided that if the Lessee exercises its termination right under Section 11.4 of this Lease, the Lessee will use its best efforts to cause such termination to occur not less than 90 days' before the effective date of any new requirements, specifications or standards. All amounts earned in respect of the Equipment after the date of expiration of this Lease, but not exceeding the rental, per diem, or other similar charge for equipment received therefor, shall belong to the Lessor and, if received by the Lessee, shall be promptly turned over to the Lessor. In the event any Item of Equipment is not assembled, delivered and stored as hereinabove provided within 30 days after the expiration of this Lease, the Lessee shall, in addition, pay to the Lessor for each day thereafter an amount equal to the amount, if any, by which the higher of (i) \$9.86, or (ii) the Fair Rental Value (determined in the manner provided in Section 18 hereof) for such Item for each such day exceeds the amount, if any, received by the Lessor (either directly or from the Lessee) for such day for such Item pursuant to the preceding sentence. The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee to so assemble, deliver, store and transport the Equipment.

SECTION 14. DEFAULT.

14.1. Events of Default. Any of the following events shall constitute an Event of Default hereunder:

(a) Default shall be made in the payment of any part of the rental or other sums provided in Section 2 or 11 (other than premium payments provided for in Section 11.1) hereof and such default shall continue for seven business days; or

(b) The Lessee shall make or permit any unauthorized assignment or transfer of this Lease, or of possession of the Equipment, or any portion thereof; or

(c) The Lessee shall fail to maintain the insurance coverage required pursuant to Section 11.1 hereof and such default shall continue for 10 days; or

(d) Default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained

herein or in the Participation Agreement and such default shall continue for 30 days after written notice from the Lessor to the Lessee, specifying the default and demanding the same to be remedied; or

(e) Any representation or warranty made by the Lessee herein or in the Participation Agreement or any statement or certificate furnished to the Lessor or its assigns pursuant to or in connection with this Lease or the Participation Agreement is untrue in any material respect as of the date of issuance or making thereof; or

(f) The Lessee becomes insolvent or bankrupt or admits in writing its inability to pay its debts as they may mature, or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee or receiver for the Lessee or for the major part of its property;

(g) A trustee or receiver is appointed for the Lessee or for the major part of its property and is not discharged within sixty (60) days after such appointment; or

(h) Any other proceedings shall be commenced by or against the Lessee for any relief which includes, or might result in, any modification of the obligations of the Lessee hereunder, under any bankruptcy or insolvency laws or laws relating to the relief of debtors, readjustments or indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of the Lessee hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees, receiver or receivers or debtor in possession appointed for the Lessee or for the property of the Lessee in connection with any such proceeding in such manner that such obligations shall have the same status and priority as obligations incurred by such a trustee or trustees or receiver or receivers which are entitled to the first priority for expenses of administration, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced whichever shall be earlier; or

(i) An event of default shall occur under (i) any loan agreement or other arrangement pursuant to which the Lessee, at the time of such event of default, has

indebtedness outstanding in an aggregate amount of \$5,000,000 or more or pursuant to which the Lessee has the right to borrow (whether or not any amount has been borrowed) an aggregate of \$5,000,000 or more or (ii) any lease pursuant to which the Lessee has the right to lease an asset or assets the aggregate fair market value of which on the day the lease was executed was \$2,000,000 or more (such loan agreement, other arrangement or lease being hereinafter called "Other Agreement") and any grace period permitted by such Other Agreement with respect to such event of default shall have expired, it being understood that, subject to the provisions of the next succeeding sentence, a waiver of such default by the lender or lessor under such Other Agreement shall constitute a waiver of such default under this Lease without the approval of the Lessor. A waiver by the lender or the lessor of an event of default in respect of the payment of money under any such Other Agreement shall not constitute a waiver of such default under this Lease.

14.2. Remedies. If any Event of Default has occurred and is continuing, the Lessor, at its option, may:

(a) Proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof, including reasonable attorneys' fees; or

(b) By notice in writing to the Lessee, terminate this Lease, whereupon all right of the Lessee to the use of the Equipment shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon, the Lessor may by its agents enter upon the premises of the Lessee or other premises where any of the Equipment may be located and take possession of all or any of such Equipment and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Equipment for any purpose whatever, but the Lessor, shall nevertheless, have a right to recover from the Lessee any and all amounts which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee (i) as damages for loss of the bargain and not as a penalty, whichever of the following amounts the

Lessor, in its sole discretion, shall specify: (x) a sum with respect to each Item of Equipment, which represents the excess of the present worth, at the time of such termination, of all rentals for such Item which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease over the then present worth of the then Fair Rental Value of such Item for such period computed by discounting from the end of such term to the date of such termination rentals which the Lessor reasonably estimates to be obtainable for the use of such Item during such period, such present worth to be computed in each case on a basis of a 6% per annum discount, compounded monthly from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, or (y) an amount equal to the excess, if any, of any of the Casualty Value of such Item of Equipment as of the rent payment date on or immediately preceding the date of termination over the amount the Lessor reasonably estimates to be the Fair Market Value thereof at such time; provided however, that in the event the Lessor shall have sold any Item of Equipment before the damages payable under this Section 14.2(b) have been paid, the Lessor, in lieu of collecting any amounts payable to the Lessor by the Lessee pursuant to the preceding clauses (x) and (y) of this part (i) with respect thereto may, if it shall so elect, demand that the Lessee pay the Lessor and the Lessee shall pay to the Lessor, on the date of such sale, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the excess, if any, of the Casualty Value of such Item of Equipment on or as of the rent payment date on or immediately preceding the date of termination over the net proceeds of such sale, and (ii) any damages and expenses, including reasonable attorneys' fees, which the Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease other than for the payment of rental.

For purposes of Section 14.2 above, the Fair Rental Value for any Item of Equipment shall be determined in the appraisal arrangements specified in Section 18.2(b) hereof and the Fair Market Value for any Item of Equipment shall be determined in a similar manner with appropriate adjustments for sale rather than rental, with any appraisal expenses to be borne by the Lessee; provided that any sale in a commercially reasonable manner of any Item of Equipment prior to any such determination shall conclusively establish the Fair Market Value of such Item and any rental in a commercially reasonable manner of any Item of Equipment prior to any such determination shall conclusively establish the Fair Rental Value of such Item.

14.3. Cumulative Remedies. The remedies in this Lease provided in favor of the Lessor shall not be deemed exclusive, but

shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims of any right to assert any offset against the rent payments due hereunder, and agrees to make the rent payments regardless of any offset or claim which may be asserted by the Lessee on its behalf in connection with the lease of the Equipment.

14.4. Lessor's Failure to Exercise Rights. The failure of the Lessor to exercise the rights granted it hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

14.5. Notice of Event of Default. The Lessee also agrees to furnish to the Lessor promptly upon any responsible officer having knowledge of any condition which constituted or constitutes an Event of Default under this Lease or which, after notice or lapse of time, or both, would constitute such an Event of Default, written notice specifying such condition and the nature and status thereof. For the purposes of this Section 14.5, a "responsible officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of the Lessee in this Lease contained, any corporate officer of the Lessee who, in the normal performance of his operational responsibilities, would have knowledge of such matter and the requirements of this Lease with respect thereto.

SECTION 15. RETURN OF EQUIPMENT UPON DEFAULT.

15.1. Lessee's Duty to Return. If the Lessor or any assignee of the Lessor pursuant to Section 16 hereof shall terminate this Lease pursuant to Section 14 hereof, the Lessee shall forthwith deliver possession of the Equipment to the Lessor or such assignee. For the purpose of delivering possession of any Item of Equipment to the Lessor or such assignee as above required, the Lessee shall at its own cost, expense and risk (except as hereinafter stated):

(a) Forthwith place each such Item of Equipment upon such storage tracks within a 1000 mile radius of Butler, Pennsylvania, as the Lessor may designate or, in the absence of such designation, as the Lessee may select with the approval of the Lessor;

(b) Provide storage at the risk of the Lessee for each such Item of Equipment on such tracks for a period not exceeding two years after the date such Item is placed on storage tracks under clause (a) above; and

(c) Within the two-year period referred to in clause (b) above, transport any Items of Equipment to any place of interchange on the lines of a railroad within a 100-mile radius of such storage tracks, all as the Lessor may reasonably direct upon not less than 10 days' written notice to the Lessee.

During any such storage period the Lessee shall maintain the Items of Equipment in such manner as the Lessee normally maintains similar equipment owned or leased by it and shall maintain the insurance required by Section 11.1 hereof during such period. The Lessee covenants that, at the time any Item of Equipment is returned to the Lessor in the manner above provided, it will then be in compliance with all applicable United States Department of Transportation and Interstate Commerce Commission requirements and specifications, if any, and, if and to the extent permitted thereby, all standards recommended by the American Association of Railroads applicable to railroad equipment of the character of the Equipment. All amounts earned in respect of the Equipment after the date of termination of this Lease, but not exceeding the rental, per diem, or other similar charge for equipment received therefor, shall belong to the Lessor or in the event this Lease has been assigned pursuant to Section 16 hereof, to such assignee, and, if received by the Lessee, shall be promptly turned over to the Lessor, or in the case of such assignment, to such assignee. In the event any Item of Equipment is not assembled, delivered and stored as hereinabove provided within 30 days after the termination of this Lease, the Lessee shall, in addition, pay to the Lessor or, in the case of such assignment, to such assignee for each day thereafter an amount equal to the amount, if any, by which the higher of (i) \$9.86, or (ii) the Fair Rental Value (determined in the manner provided in Section 18 hereof) for such Item of Equipment for each such day exceeds the amount, if any, received by the Lessor or such assignee (either directly or from the Lessee) for such day for such Item pursuant to the preceding sentence.

15.2. Specific Performance. The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Equipment.

15.3. Lessor Appointed Lessee's Agent. Without in any way limiting the obligation of the Lessee under the foregoing provisions of this Section 15, the Lessee hereby irrevocably appoints the Lessor as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Items of Equipment to the Lessor, to demand and take possession of such Item in the name and on behalf of the Lessee from whomsoever shall be at the time in possession of such Item.

SECTION 16. ASSIGNMENTS BY LESSOR.

This Lease and all rent and all other sums due or to become due hereunder may be assigned as collateral security (with a present right to receive all rent and other sums due or to become due hereunder) in whole or in part by the Lessor without the consent of the Lessee, but the Lessee shall be under no obligation to any assignee of the Lessor except upon written notice of such assignment from the Lessor. Upon notice to the Lessee of any such assignment the rent and other sums payable by the Lessee which are the subject matter of the assignment shall be paid to or upon the written order of the assignee. Without limiting the foregoing, the Lessee further acknowledges and agrees that (i) the rights of any such assignee in and to the sums payable by the Lessee under any provision of this Lease shall not be subject to any abatement whatsoever, and shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever whether by reason of failure of or defect in the Lessor's title, or any interruption from whatsoever cause in the use, operation or possession of the Equipment or any part thereof, or any damage to or loss or destruction of the Equipment or any part thereof, or by reason of any other indebtedness or liability, howsoever and whenever arising, of the Lessor to the Lessee or to any other person, firm or corporation or to any governmental authority or for any cause whatsoever, it being the intent hereof that, except in the event of a wrongful act on the part of such assignee, the Lessee shall be unconditionally and absolutely obligated to pay such assignee all of the rents and other sums which are the subject matter of the assignment, (ii) said assignee shall, if an Event of Default or Default shall have occurred and be continuing, have the sole right to exercise all rights, privileges and remedies (either in its own name or in the name of the Lessor for the use and benefit of said assignee) which by the terms of this Lease are permitted or provided to be exercised by the Lessor (except those rights, privileges and remedies relating to amounts payable to the Lessor or the Trustor for their individual account and not for the account of said assignee pursuant to Sections 6, 10.2, 11.1 [with respect to public liability insurance], 20.3 and 20.8 hereof which shall remain enforceable by the Lessor or the Trustor, as the case may be), and (iii) all obligations of the Lessor to the Lessee under this Lease shall be and remain enforceable by the Lessee against, and only against, the Lessor.

If and so long as this Lease is assigned to the Note Purchaser or any other assignee (or successor thereto) as collateral security pursuant to this Section 16, the term "Lessor" as used in this Lease shall also apply and refer to the Note Purchaser or any such assignee (or successor thereto), provided, however, that the obligations of the Lessor to the Lessee under this Lease shall be and remain enforceable by the Lessee against, and only against, Continental Illinois National Bank and Trust Company of Chicago, not individually but solely as trustee. Without limiting the foregoing, the Lessee acknowledges and agrees that the Note Purchaser or any such assignee (or successor thereto) shall be entitled to the benefit of the indemnification provided in Sections 6 and 10.2

hereof and the repayment of any sums together with interest thereon under Section 20.3 hereof and the coverage of any public liability insurance under Section 11.1 hereof for its own account notwithstanding Section 1.5 of the Security Agreement. The fact that the Note Purchaser is specifically named in any provision of this Lease shall not be construed to mean that the Note Purchaser or any other assignee (or successor thereto) shall not be entitled to the benefits of any other provision in which only the Lessor is named.

It is understood and agreed that this Lease shall be subject and subordinate to any security agreement now or hereafter executed by the Lessor which creates a security interest in any Item of Equipment, including without limitation, the Security Agreement, and any renewals, extensions, modifications or supplements to any such security agreement.

SECTION 17. ASSIGNMENTS BY LESSEE; USE AND POSSESSION.

17.1. Lessee's Rights to the Equipment. So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession and use of the Equipment in accordance with the terms of this Lease, but, without the prior written consent of the Lessor, the Lessee shall not, except to the extent permitted by the provisions of Section 17.2 hereof, assign, transfer or encumber its leasehold interest under this Lease in any of the Equipment. The Lessee shall not, without the prior written consent of the Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Equipment, except to the extent permitted by the provisions of Section 17.2 hereof.

17.2. Use and Possession; Permitted Assignments and Subleases; Mileage. So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the quiet use, possession and enjoyment of the Equipment; provided, however, that nothing contained in this Lease shall be deemed to prohibit the use of the Equipment by others in the usual interchange of traffic and that the Lessee will not (except to the extent permitted by the provisions of Section 17.3 hereof) assign or permit the assignment of any Item of Equipment to service involving the regular operation and maintenance thereof outside the United States of America. The Lessee agrees that it will not, without the prior written consent of the Lessor, assign this Lease or any of its rights hereunder or sublease any Item of Equipment; provided, however, that nothing contained in this Lease shall be deemed to prevent the sublease of any Item of Equipment or the assignment of this Lease in accordance with the provisions set forth below in this Section 17.2. No such assignment or sublease shall relieve the Lessee of any liability or obligations hereunder, all of which shall be and remain those of a principal and not a surety.

So long as the Lessee shall not be in default under this Lease, the Lessee may, without the prior written consent of

the Lessor, sublease the Items of Equipment; provided that (i) the Lessee may not have more than eight such subleases outstanding at any one time and (ii) the term of any such sublease shall not exceed one year; provided, further, however, that if the Lessee shall propose to enter into any sublease for a term exceeding one year, the Lessor agrees that it will not unreasonably withhold its consent to such sublease (it being understood and agreed that the failure to give such consent to such sublease shall not be deemed unreasonable if the Lessor has reason to believe that the Equipment will not be operated and maintained in accordance with the terms of this Lease). Any such permitted sublease and the rights and interest of any sublessee thereunder shall in all events be expressly subject and subordinate to this Lease and the rights and interest of the Lessor and its respective successors and assigns hereunder and such permitted sublease shall in all cases be for a term expiring not later than the end of the then current term of this Lease. The Lessee shall, within ten days following the entering into of any such permitted sublease, furnish to the Lessor a written statement setting forth the amount, description and numbers of the Items being subleased as permitted hereunder and attaching a reproduction copy of such sublease agreement.

So long as the Lessee shall not be in default under this Lease, the Lessee may, without the prior written consent of the Lessor, assign this Lease to any wholly-owned subsidiary of the Lessee. The Lessee shall, within ten days following the entering into of any such assignment, furnish to the Lessor a reproduction copy of such assignment.

It is contemplated that the Lessee shall receive insofar as applicable law and regulations allow, all mileage allowance rentals or other compensation, or both (hereinafter referred to as "Mileage"), payable by carriers by reason of the use of an Item of Equipment and if for any reason the Lessor shall receive any Mileage then (unless an Event of Default shall have occurred and be continuing, in which event such Mileage or portion thereof shall be retained by the Lessor until such Event of Default shall no longer be continuing and thereafter returned to the Lessee) the Lessor shall remit such Mileage to the Lessee promptly after the Lessee shall furnish to the Lessor, at the Lessee's sole expense, either (i) a ruling of the Interstate Commerce Commission to the effect that the remittance thereof to the Lessee will not constitute a rebate within the meaning of 49 U.S.C. Section 41, as amended, or (ii) an opinion of counsel to the same effect.

17.3. Canadian Use. So long as the Lessee shall not be in default under this Lease, the Lessee may assign or permit the assignment of or otherwise use the Items of Equipment to and in service in Canada ("Canadian Use") subject to the following conditions precedent:

- (a) The Items of Equipment may be placed in Canadian Use in any Province in Canada if (but only if) (i) under the laws of such Province, the title of the Lessor in such Items is protected and the security interest of any assignee under Section 16

hereof is perfected as against creditors of and purchasers from the Lessee and the Lessor to the same extent that the Lessor's title is protected and such assignee's security interest is perfected under the laws of the United States in respect of the Items of Equipment located in the United States (hereinafter referred to as a "Qualified Province") and (ii) prior to the commencement of any such Canadian Use in such Qualified Province, the Lessor and such assignee shall have received (A) evidence of any filings or recordings necessary for such protection and perfection and (B) an opinion of Canadian counsel, satisfactory to the Lessor and such assignee, to the effect set forth in clause (i) above. Any Province in Canada other than a Qualified Province is hereinafter referred to as an "Unqualified Province".

(b) Notwithstanding the provisions of paragraph (a) of this Section 17.3, not more than 15% of the Items of Equipment then subject to the Lease, may be placed in Canadian Use in an Unqualified Province if (but only if) prior to the commencement of any such Canadian Use in such Unqualified Province:

(i) The Lessee gives written notice to the Lessor and any assignee under Section 16 hereof stating the number of Items of Equipment that the Lessee intends to place into Canadian Use in Unqualified Provinces; and

(ii) The Lessee deposits into escrow with Morgan Guaranty Trust Company, Chemical Bank, Citibank, N.A., or any other bank, which other bank shall be selected by the Lessee and approved in writing by the Lessor and the assignee under Section 16 hereof pursuant to an Escrow Agreement substantially in the form attached as Exhibit 1 hereto (the "Escrow Agreement"), with such modifications and revisions as shall be approved in writing by the Lessor and such assignee, an amount of money equal to the product obtained by multiplying (x) the Casualty Value for each Item of Equipment on the date of making the deposit, times (y) the number of Items of Equipment intended for Canadian Use in Unqualified Provinces as designated in the Lessee's written notice referred to in clause (i) above. If the Lessee removes any such Items of Equipment from Canadian Use in Unqualified Provinces, the Lessee shall,

subject to the terms and conditions of the Escrow Agreement, be entitled to withdraw from such escrow the amounts deposited in respect of the Items so removed.

17.4. Merger, Consolidation or Acquisition of Lessee.

Nothing in this Section 17 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Equipment or possession of the Equipment to any corporation (which shall have duly assumed in writing satisfactory to the Lessor the obligations hereunder of the Lessee) into or with which the Lessee shall have become merged or consolidated or which shall have acquired or leased all or substantially all of the assets of the Lessee, provided that such assignees, successors or transferees will not, upon the effectiveness of such merger or consolidation or acquisition of properties be in default under any provision of this Lease and that such merger or consolidation or acquisition of properties shall not alter in any way the Lessee's or the surviving merged or consolidated corporation's obligations to the Lessor hereunder which shall be and remain those of a principal and not a guarantor. The Lessee agrees to give the Lessor prior written notice of any such merger, consolidation or acquisition.

SECTION 18. RENEWAL AND PURCHASE.

18.1. Initial Election. Provided that this Lease has not been earlier terminated and no Event of Default or Default shall have occurred and be continuing hereunder, the Lessee may by written notice delivered to the Lessor not less than (a) 270 days prior to the end of the original term hereof in respect of all Items of Equipment then leased hereunder, notify the Lessor that the Lessee irrevocably elects either that it shall extend the term of this Lease in respect of such Items or offer to purchase the same, all on the basis hereinafter provided, and (b) 180 days prior to the end of the extended term, if any, of this Lease in respect of all Items of Equipment then leased hereunder, notify the Lessor that the Lessee elects to offer to purchase the same on the basis hereinafter provided.

18.2. Renewal. Any extension of the term of this Lease pursuant to clause (a) of Section 18.1 hereof shall be in respect of all, but not less than all, of the Items of Equipment for which the lease term is then expiring, shall be for a period of not less than one nor more than five years as the Lessee shall designate in its written notice pursuant to Section 18.1 or 18.3 hereof commencing on the scheduled expiration of the original term of this Lease, and shall be subject to the terms and conditions herein contained for the original term of this Lease; provided that the Fixed Rental payable for and during any such renewal term shall be an amount equal to the Fair Rental Value (as hereinafter defined) of such Items of Equipment.

The Fair Rental Value of an Item of Equipment shall be determined on the basis of, and shall be equal in amount to, the value which would be obtained in an arm's-length transaction between an informed and willing lessee (other than a lessee currently in possession) and an informed and willing lessor under no compulsion to lease, which value shall not reflect the value of any additions or improvements which can be readily removed from an Item of Equipment without material damage to such Item. If 90 days after receipt by the Lessor of the notice of the Lessee's election to exercise the renewal option, the Lessor and the Lessee are unable to agree upon a determination of the Fair Rental Value of the Item or Items in question, such value shall be determined in accordance with the foregoing definition by a qualified independent Appraiser. The term "Appraiser" shall mean two independent appraisers (neither of whom shall be an employee of the Manufacturer), one chosen by the Lessor and one chosen by the Lessee, or, if such appraisers cannot agree on the amount of such value within 60 days prior to the date of commencement of the applicable renewal term, then the term "Appraiser" shall mean an appraiser chosen by the American Arbitration Association. The Appraiser shall be instructed to make such determination within a period of 30 days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. Upon receipt of notice of such determination, the Lessor and the Lessee each shall have the option to not enter into such renewal; however, in the event that neither exercises its option not to enter into the renewal, then the Appraiser's determination of such Fair Rental Value shall be conclusively binding upon both the Lessor and the Lessee. The expenses and fees of the Appraiser shall be borne by the Lessee.

18.3. Offer to Purchase. Any offer to purchase pursuant to clause (a) or (b) of Section 18.1 hereof shall be with respect to all, but not less than all, of the Items of Equipment for which the lease term is then expiring. If the Lessee notifies the Lessor that it intends to offer to purchase the Items pursuant to clause (a) or (b) of Section 18.1 hereof, such notice shall include the amount which it is willing to pay for such Items and the terms upon which it is willing to make such purchase.

The Lessor agrees that it will have accepted or rejected the Lessee's offer to purchase or make a counter-offer for such purchase within 30 days of the receipt of the Lessee's offer. If the Lessor makes a counter-offer, the Lessee has 30 days within which to accept or reject such counter-offer. If the Lessor rejects the Lessee's offer to purchase or the Lessee rejects the Lessor's counter-offer, the Lessee shall have any right contained herein to elect to extend the term of this Lease with respect to such Items of Equipment if the Lessee notifies the Lessor of such election within 10 days after the final rejection in relation to the offer to purchase. Such notice shall be treated as an irrevocable option in accordance with Section 18.2 to extend the term of this Lease in respect to such Items of Equipment pursuant to clause (a) of Section 18.1 hereof. It is expressly understood that notwithstanding the Lessee's right to notify the Lessor of its desire to purchase any Items of Equipment,

the Lessor is not under any obligation to and does not currently have any intention of selling any Items at the end of the original term of this Lease. If the Lessee does not purchase the Equipment and the Lessee does not elect to extend the term of the Lease during the times provided for such election, then the Lessor may thereafter sell or lease the Equipment to any person on any terms subject only to the rights of the Lessee under this Lease with respect to such Equipment. For the purposes of this Section 18.3 the expiration of any time period specified herein without acceptance, rejection or counter-offer shall be deemed a rejection.

Upon payment of the purchase price of any Item, the Lessor shall upon request of the Lessee execute and deliver to the Lessee, or to the Lessee's assignee or nominee, a bill of sale (without recourse, representation or warranties of any kind) for such Item as will transfer to the Lessee such title to such Item as the Lessor derived from the Seller, free and clear of all liens, security interests and other encumbrances arising through the Lessor.

18.4. Delivery of Equipment. Any Items of Equipment which the Lessee has not purchased as provided in Section 18.3 hereof or as to which this Lease has not been renewed as provided in Section 18.2 hereof shall be returned to the Lessor at the end of the original term, or the then current renewal term, as the case may be, in accordance with Section 13 hereof.

SECTION 19. INTEREST ON OVERDUE RENTALS AND AMOUNTS PAID BY LESSOR.

Anything to the contrary herein contained notwithstanding, any nonpayment of rent due hereunder, or amounts expended by the Lessor on behalf of the Lessee, shall result in the additional obligation on the part of the Lessee to pay also an amount equal to 11-1/2% per annum (or the lawful rate, whichever is less) on the overdue rentals and amounts expended for the period of time during which they are overdue or expended and not repaid.

SECTION 20. MISCELLANEOUS.

20.1. Limitations of Liability. It is expressly understood and agreed by and between the Lessor and the Lessee and their respective successors and assigns that this Lease is executed by CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not individually or personally but solely as Trustee under the Trust Agreement in the exercise of the power and authority conferred and vested in it as such Trustee, that each and all of the representations, undertakings and agreements herein made on the part of the Lessor are each and every one of them made and intended not as personal representations, undertakings and agreements by the Lessor or the Trustor, or for the purpose or with the intention of binding the Lessor or the Trustor personally, that any claim or judgment obtained against the Lessor or the Trustor for the failure to perform the Lease shall be satisfied only from the Trust Estate as

defined in the Trust Agreement, that this Lease is executed and delivered by the Lessor solely in the exercise of the powers expressly conferred upon the Lessor as trustee under the Trust Agreement, that actions to be taken by the Lessor pursuant to its obligations hereunder may, in certain instances, be taken by the Lessor only upon specific authority of the Trustor, that nothing herein contained shall be construed as creating any liability on the Lessor or the Trustor, individually or personally, or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO or the Trustor, to perform any covenant either express or implied contained herein, all such liability, if any, being expressly waived by the Lessee and by each and every person now or hereafter claiming by, through or under the Lessee, and that so far as Lessor or the Trustor, individually or personally are concerned, the Lessee and any person claiming by, through or under the Lessee shall look solely to the Trust Estate as defined in the Trust Agreement for the satisfaction of any claim or judgment for the failure to perform any obligation under this Lease; provided that nothing in this Section 20.1 shall be construed to limit in scope or substance those representations, warranties and agreements of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO in its individual capacity set forth in the Participation Agreement and the Security Agreement. The term "Lessor" as used in this Lease shall include any trustee succeeding the Lessor as trustee under the Trust Agreement or the Trustor if the trust created thereby is revoked. Any obligation of the Lessor hereunder may be performed by the Trustor, and any such performance shall not be construed as revocation of the trust created by the Trust Agreement. Nothing contained in this Lease shall restrict the operation of the provisions of the Trust Agreement with respect to its revocation or the resignation or removal of the Trustee thereunder.

20.2. Notices. Any notice required or permitted to be given by either party hereto to the other shall be in writing (including without limitation, by telex) and shall be deemed to have been given when personally delivered or otherwise actually received or five business days after being deposited in the United States mail (whichever is earlier), registered or certified, postage prepaid, addressed as follows:

If to the Lessor: Continental Illinois National Bank
and Trust Company of Chicago, as
Trustee under Dreyfus Trust No. 79-1
231 South LaSalle Street
Chicago, Illinois 60693
Attention: Corporate Trust Department

If to the Trustor: CI Transportation Leasing Corporation
231 South LaSalle Street
Chicago, Illinois 60693

If to the Lessee: Louis Dreyfus Corporation
24 Richmond Hill Avenue
Stamford, Connecticut 06904
Attention: Treasurer

or addressed to any such party at such other address as such party shall hereafter furnish to such other parties in writing.

20.3. Right of Lessor to Perform. If the Lessee shall fail to comply with any of its covenants herein contained, the Lessor may, but shall not be obligated to, make advances to perform the same and to take all such action as in the Lessor's opinion may be necessary to obtain such performance. All payments so made by the Lessor and all cost and expenses (including without limitation, reasonable attorneys' fees and expenses) incurred in connection therewith shall be payable by the Lessee to the Lessor upon demand as additional rent hereunder, with interest at the rate of 11-1/2% per annum.

20.4. Execution in Counterparts. This Lease, and any lease supplemental hereto, may be executed in several counterparts, each of which so executed shall be deemed to be an original and in each case such counterparts shall constitute but one and the same instrument.

20.5. Law Governing. This Lease shall be construed in accordance with the laws of the State of Illinois; provided, however, that the parties shall be entitled to all rights conferred by any applicable Federal statute, rule or regulation.

20.6. Headings and Table of Contents. All Section headings and the Table of Contents are inserted for convenience only and shall not affect any construction or interpretation of this Lease. Similarly, the date first above written is for purposes of convenience only and does not reflect the date or dates of actual signing.

20.7. Severability. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall be as to such jurisdiction ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.

20.8. Indemnification for Loss of Tax Benefits. (a) The Trustor has informed the Lessee that the rental rate specified in Section 2.1 hereof has been calculated on the basis that the assumptions set forth in Schedule E will be true for Federal income tax purposes. A loss ("Loss") shall be deemed to have occurred for purposes of this Section 20.8 if it is determined for Federal income tax purposes by the Internal Revenue Service that (1) the Trustor is not entitled to all or any portion of the Investment Tax Credit, the Depreciation Deductions or the Interest Deductions described

in Schedule E, (2) the Investment Tax Credit or Depreciation Deductions are recaptured in whole or in part pursuant to Sections 47 and 1245, respectively, of the Code, (3) the credit for foreign taxes available to the Trustor is reduced by reason of the Trustor having foreign source losses from this Lease, and (4) the Trustor has an Inclusion as a result of Additional Expenditures (Inclusion and Additional Expenditures are defined below in paragraph (c) of this Section 20.8). If there is a Loss for Federal income tax purposes, such Loss shall include any increase in state or local income tax liability resulting from a similar adjustment required for state or local income tax purposes.

(b) The Lessee's rental payments to the Lessor shall be adjusted as provided in paragraph (c) of this Section 20.8 if a Loss shall have occurred as the result, in whole or in part, directly or indirectly, of (1) any act of the Lessee (including, without limitation, Additional Expenditures by the Lessee, the use of any Item of Equipment outside of the United States and the use by the Lessee or any other person not so authorized in writing by the Trustor of any Item of Equipment in any manner which is inconsistent with the status of the Equipment as "section 38 property"), (2) any failure by the Lessee to act in accordance with the terms of this Lease, (3) the incorrectness of the Lessee's warranties set forth in paragraph (f) of this Section 20.8, or (4) a breach by Lessee of any of its covenants set forth in this Lease. For purposes of this Section 20.8, recapture of the Investment Tax Credit or Depreciation Deductions upon a purchase by the Lessee of any Items of Equipment or a Casualty Loss with respect to any Item of Equipment shall not be deemed to result in a Loss from an act or failure to act by the Lessee.

(c) (i) In the case of a Loss of the Investment Tax Credit for which the Lessee is required to pay an indemnity, the amount thereof, after subtracting the amount of all taxes payable by the Trustor in respect thereof, shall equal the sum of the amount of the Investment Tax Credit so lost plus any interest, penalties or additions to tax (including any additions to tax because of underpayment of estimated tax) payable by the Trustor in respect of such Loss, less the amount of any actual decrease in the Federal, state and local income taxes of the Trustor that would result from the claiming of allowable deductions from gross income in respect to such interest or penalties.

(ii) In the case of a Loss of Depreciation Deductions or Interest Deductions for which the Lessee is required to pay an indemnity, the Lessee shall pay to the Lessor, as additional rent, an amount which, after subtracting the amount of all Federal, state and local income taxes payable by the Trustor in respect of the receipt thereof, shall be sufficient to yield to the Trustor the same annual rate of return and net annual cash flow after Federal and state income taxes as the Trustor would have realized in respect of this Lease if such Loss had not occurred. The Lessee shall also pay to the Lessor, as additional rent, the amount of any interest or penalties (including any additions to

tax because of underpayment of estimated tax) payable by the Trustor in respect of such Loss less the amount of any actual decrease in the Federal, state and local income taxes of the Trustor that would result from the claiming of allowable deductions from gross income with respect to such interest or penalties.

(iii) If in any year (1) this Lease shall have resulted in any foreign source losses for the Trustor for such year and (2) the Trustor shall not be entitled under any circumstances (including changes in applicable law or applicable administrative or judicial interpretations thereof), to utilize any portion or all of the foreign tax credit presently allowable under Sections 901 and 902 of the Code (or other comparable provisions enacted after the date hereof) (the "Foreign Tax Credit") as a result of application of the foreign tax credit limitation under Section 904 of the Code (or other comparable provisions enacted after the date hereof) (hereinafter referred to as a "Loss of Foreign Tax Credit") then the Lessee shall pay to the Lessor, as additional rent, an amount which, after subtracting the net amount of all Federal, state or local income taxes required to be paid by the Trustor currently in respect of the receipt thereof, shall be equal to the sum of (i) the product of (A) the amount of such foreign source losses resulting from this Lease for such year (expressed as a positive number), divided by the Trustor's entire Federal taxable income for such year, multiplied by (B) the Trustor's Federal income tax liability for such year (without regard to the Foreign Tax Credit); provided that such amount shall not exceed the Foreign Tax Credit that the Trustor was unable to utilize, plus (ii) the amount of any interest (net of any actual decrease in Federal, state or local income tax caused by any allowable deduction of such interest from gross income) or penalties, including any additions to tax because of underpayment of estimated tax, which may be assessed against the Trustor in connection therewith.

(iv) If for any reason whatsoever (including changes in applicable law), all or part of the cost, value or amount of any Additional Expenditures is required to be included in the gross income of the Trustor for Federal income tax purposes under circumstances in which the Trustor is not entitled to deduct such amount in the same taxable year (an "Inclusion") then the Lessee shall pay to the Lessor an amount which, after subtracting the amount of all taxes payable by the Trustor in respect thereof, shall be equal to the sum of (i) the amount of the net additional Federal, state and local income taxes required to be paid by the Trustor in respect of such Inclusion, and (ii) the amount of (A) any interest or penalties (including any additions to tax because of underpayment of estimated tax) which are payable by the Trustor as a result of such Inclusion, minus (B) the amount of any actual decrease in the Trustor's income taxes that would result from the claiming of allowable deductions from gross income in respect of such interest or penalties.

(d) The Trustor shall be deemed to have a tax benefit ("Tax Benefit") to the extent that a Loss for which the Lessee

makes payment to the Lessor as provided in paragraph (c) of this Section 20.8 is offset as a result of such Loss in whole or in part, directly or indirectly, by an increase in deductions or credits for, or a reduction in the income of, the Trustor for a subsequent year or years as compared to the deduction, credits or income that would have resulted if the assumptions set forth in Schedule E had been true or if the Loss had not been incurred ("Tax Benefit"). For purposes of this Section 20.8, Tax Benefits shall include any of the following but only to the extent of the benefit actually realized by the Trustor therefrom: (1) an increase in Depreciation Deductions or losses from retirements of Items of Equipment or a reduction in recapture of depreciation resulting from a reduction in depreciation in earlier years, (2) an increase in Depreciation Deductions or Investment Tax Credit resulting from Additional Expenditures, and (3) an increase in the credit for foreign taxes available to the Trustor by reason of the Trustor's having foreign source income from this Lease; provided, however, that items of deduction, loss, credit and income referred to in clauses (1), (2) and (3) of the preceding sentence shall be deemed to be utilized by the Trustor for any taxable year only after utilization by the Trustor of all of its other deductions, losses, credits and income for such year. If the Trustor has a Tax Benefit for any year or years, the Lessor shall pay to the Lessee the sum of (x) the amount of the Federal tax saving that resulted from such increase in deductions or reductions in income and (y) the amount of any Federal, state and local tax savings of the Trustor that would result from the claiming of allowable deductions in respect of the payments to Lessee under clause (x) and this clause (y) of this paragraph (d) of this Section 20.8.

(e) The payments under paragraphs (c) and (d) of this Section 20.8 shall be payable within 30 days after the filing of an income tax return reflecting the Loss and/or the Tax Benefit, provided that if payment for any Loss will also be required in future years, such recurring Loss or shall be reflected by adjustment in the monthly rental payments.

(f) Based upon the appraisal described in Section 4.2(a) of the Participation Agreement and the Lessee's experience with equipment similar to the Equipment, the Lessee believes that each Item of Equipment will have an estimated residual value at the end of the basic term of this Lease of at least 20% of its cost of acquisition to the Trustor (within the meaning of Section 1012 of the Code), and an estimated useful life at such time of at least 25 years. However, for purposes of this Agreement, including this Section 20.8, the Lessee is not representing, warranting or covenanting that the useful life and residual value of each Item of Equipment will be as set forth above. For purposes of this Section 20.8, the Lessee warrants that:

(1) Each Item of Equipment will constitute "new section 38 property" within the meaning of Section 48(b) of the Code, when acquired by the

Trustor, and the Trustor will be the "original user" of each Item of Equipment within the meaning of Section 167(c)(2) of the Code;

(ii) Each Item of Equipment will fall within Class 00.25 of the Class Life Asset Depreciation Range System, and will have a gross salvage value to the Trustor, for purposes of computing depreciation, not in excess of 10% of its Purchase Price; and

(iii) Each Item of Equipment will be deemed to have been "placed in service" by the Trustor, for purposes of computing depreciation, not later than June 30, 1979.

(g) If there is a decrease in the Federal income tax rate imposed on the taxable income of corporations generally below the 46% rate assumed by the Trustor in computing the economics of this transaction, and if such decrease in rate is effective as of a date prior to or on the date of delivery of an Item of Equipment under this Lease, the Lessee shall pay to the Lessor, on each rent payment date during the remaining term of this Lease, additional rent in an amount which, after subtracting all taxes payable by the Trustor in respect thereof, will be sufficient to yield to the Trustor with respect to such Item of Equipment the same annual rate of return and net annual after-tax cash flow as the Trustor would have realized if such decrease in rate had not occurred. If after a reduction in rates described above there is a subsequent increase in the Federal income tax rate imposed on the taxable income of corporations generally, the payments by the Lessee to the Lessor shall be reduced by the increase in the return to the Trustor resulting from such increase until the Lessee has recovered the additional payments that it made by reason of the reduction in rates described above, provided that the rentals and other sums due hereunder shall not be reduced below that amount which is necessary to pay the principal of, premium, if any, and interest on the Notes as the same become due.

(h) The Lessee agrees to maintain sufficient records to verify the amount of use in respect of each Item of Equipment within and without the United States and within the State of Illinois. Additionally, the Lessee shall keep such other records of the use of the Items of Equipment as shall be necessary in order for it to prepare the tax returns and reports required by Section 10.2(c) hereof. The Lessee agrees to give the Lessor, within 90 days after request therefor, written notice describing the amount of use of the Equipment within and without the United States, within the State of Illinois and within other jurisdictions, such notice to specify in reasonable detail the basis on which such determinations were made, if such information is required in connection with the preparation of the Trustor's state and local tax returns or in connection with an audit by the Internal Revenue Service of the tax returns of the Trustor.

(i) Any request for payment, reimbursement, credit or adjustment that is made by the Trustor pursuant to this Section 20.8 shall be accompanied by a statement from the president or a vice president of the Trustor (1) describing in reasonable detail the amount and computation of the Loss with respect to which payment is requested and (2) indicating that such officer has examined the determination of the amount due and that, in his opinion, such amount due has been properly calculated pursuant to this Agreement using the same assumptions (including rate of return and net annual after-tax cash flow) as were utilized in originally evaluating the financing contemplated by this Lease. Any request for payment, reimbursement, credit or adjustment that is made by the Lessee pursuant to this Section 20.8 with respect to a Tax Benefit shall be accompanied to the extent that such information is available to Lessee by a statement of the amount requested together with such evidentiary material as will permit the Trustor to determine the correctness of the amount requested.


(j) In the event that the Trustor shall obtain a refund of (or shall be held not obligated to pay) any Federal, state or local income tax paid by the Trustor in respect of a Loss for which the Lessee has indemnified the Trustor pursuant to this Section 20.8, then the Trustor shall pay to the Lessee an amount equal to the amount of the indemnity previously paid by the Lessee to the Trustor (or a ratable portion of such indemnity payment if such refund is a refund of less than all of the income taxes paid by the Trustor in respect of such Loss, or if the Trustor nevertheless is required to pay some additional income taxes in respect of such Loss), plus, in the case of any such refund, the amount of any interest received by the Trustor with respect thereto. If for any reason such refund is later held not to be allowable, or if the determination as to the Trustor's non-liability for such income tax is reversed, then the Lessee shall promptly refund to the Trustor the amount previously paid by the Trustor to the Lessee pursuant to this paragraph (j).

(k) Notwithstanding any other provision of this Agreement, the Trustor shall not be obligated to disclose to the Lessee or any other person, or to permit the Lessee or any other person to examine, any of its Federal, state or local income tax returns for any taxable year.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their respective officers thereunder duly authorized and the corporate seals to be hereto affixed as of the day and year first above written.

[SEAL]

ATTEST:


Trust Officer

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO, not
individually but solely as Trustee
under Dreyfus Trust No. 79-1

By
Its

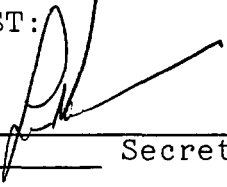

VICE PRESIDENT

LESSOR

LOUIS DREYFUS CORPORATION

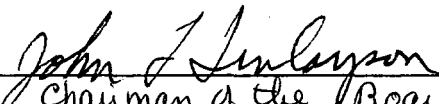
[CORPORATE SEAL]

ATTEST:



Secretary

By


Its Chairman of the Board LESSEE

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 30 day of March, 1979, before me personally appeared M. J. Kruger, to me personally known, who, being by me duly sworn, says that he is a Vice President of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

Hazel Ivaz
Notary Public Hazel Ivaz

[NOTARIAL SEAL]

My Commission Expires: **December 6, 1981**

STATE OF CONNECTICUT)
) SS
COUNTY OF Fairfield)

On this 2nd day of April, 1979, before me personally appeared John L. Finlayson, to me personally known, who, being by me duly sworn, says that he is the Chairman of Board of LOUIS DREYFUS CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Leslie J. Newton
Notary Public

[NOTARIAL SEAL]

My Commission Expires: **LESLIE J. NEWTON**
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1982

DESCRIPTION OF ITEMS OF EQUIPMENT

Manufacturer of Equipment: Pullman Incorporated
(Pullman Standard Division)

Description and Mark and
Number of Items of
Equipment: 200 100-ton 4750 cu. ft. Covered
Hopper Cars Marked and
Numbered LDCX 20000 to
LDCX 20199, both inclusive

Base Purchase Price of
Equipment: \$37,300 per Item

Maximum Aggregate Purchase
Price of Equipment: \$8,089,879

Place of Delivery: Butler, Pennsylvania

Outside Delivery Date: April 30, 1979

Specifications Applicable
to Equipment: "Specifications for PS-2-OD
100-ton Covered Hopper Cars
(4750 cu. ft. capacity) Lot
1014-A, 200 Covered Hopper
Cars - ITEL Corporation"
issued by Pullman Incorporated
(Pullman Standard Division)
dated January 16, 1979)

CERTIFICATE OF ACCEPTANCE
UNDER EQUIPMENT LEASE

TO: CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY
OF CHICAGO, as Trustee under Dreyfus Trust No. 79-1
(the "Lessor")

ITEL CORPORATION
(the "Seller")

I, a duly appointed and authorized representative of LOUIS DREYFUS CORPORATION (the "Lessee") under the Equipment Lease dated as of January 1, 1979 between the Lessor and the Lessee, do hereby certify that I have inspected, received, approved and accepted delivery under the Lease of the following Items of Equipment:

TYPE OF EQUIPMENT	100-ton 4750 cu. ft. Covered Hopper Cars
-------------------	---

PLACE ACCEPTED:

DATE ACCEPTED:

NUMBER OF UNITS:

MARKED AND NUMBERED:

I do further certify that the foregoing Items of Equipment are in good order and condition, and appear to conform to the Specifications (as defined in said Equipment Lease) applicable thereto, that the Lessee has no knowledge of any defect in any of the foregoing Items of Equipment with respect to design, manufacture, condition or in any other respect, and that each Item has been labeled by means of a plate or a stencil printed in contrasting colors upon each side of the Item in letters not less than one inch in height as follows:

"Leased from a Bank or Trust Company
as Owner-Trustee and subject to a
Security Interest recorded with the
Interstate Commerce Commission".

The execution of this Certificate will in no way relieve or decrease the responsibility of the Seller or any manufacturer for any warranties it has made with respect to the Equipment.

Dated: _____, 19__

Inspectors and Authorized
Representatives of the Lessee

SCHEDULE B
(to Equipment Lease)

SCHEDULE OF CASUALTY VALUE

*The Casualty Value for an Item of Equipment payable on any Fixed Rental payment date thereafter shall mean an amount equal to the product obtained by multiplying (i) the percent of the Purchase Price of such Item set forth opposite such date in the following schedule times (ii) the Purchase Price of such Item:

<u>Number of Fixed Rental Payment Date on which Casualty Value is Paid</u>	<u>Percentage of Purchase Price Payable as Casualty Value</u>
1	101.011128
2	101.224974
3	101.432365
4	101.633265
5	101.827633
6	102.015435
7	102.196631
8	102.371182
9	102.539049
10	102.700192
11	102.854574
12	103.002153
13	103.142891
14	103.278100
15	103.407750
16	103.531808
17	103.650243
18	103.763021
19	103.870112
20	103.971481
21	104.067098
22	104.156929
23	104.240940
24	104.319098
25	104.391371
26	104.458338
27	104.519971
28	104.576240
29	104.627113
30	104.672562
31	104.712555

*Casualty Value does not include any amounts for which any Indemnatee (as defined in Section 10.2 of the Lease) may (for reasons other than a Casualty Occurrence) be entitled to indemnification under Sections 6 and/or 10.2 of the Lease.

(Dreyfus Trust No. 79-1)

Number of
Fixed Rental Payment Date
on which Casualty Value
is Paid

Percentage of
Purchase Price
Payable as
Casualty Value

32	104.747061
33	104.776050
34	104.799491
35	104.817350
36	104.829600
37	98.406172
38	98.407719
39	98.404179
40	98.395524
41	98.381725
42	98.362754
43	98.338582
44	98.309181
45	98.274522
46	98.234574
47	98.189310
48	98.138701
49	98.082717
50	98.021943
51	97.956354
52	97.885922
53	97.810622
54	97.730429
55	97.645315
56	97.555254
57	97.460218
58	97.360184
59	97.255121
60	97.145004
61	90.599751
62	90.480059
63	90.355849
64	90.227098
65	90.093783
66	89.955880
67	89.813363
68	89.666210
69	89.514396
70	89.357897
71	89.196688
72	89.030745
73	88.860043
74	88.685172
75	88.506113
76	88.323254
77	88.138111
78	87.950670
79	87.760916
80	87.568832
81	87.374404
82	87.177616

Number of
Fixed Rental Payment Date
on which Casualty Value
is Paid

Percentage of
Purchase Price
Payable as
Casualty Value

83	86.978453
84	86.776898
85	80.142901
86	79.936727
87	79.728328
88	79.517687
89	79.304790
90	79.089622
91	78.872167
92	78.652412
93	78.430339
94	78.205934
95	77.979181
96	77.750066
97	77.518571
98	77.284893
99	77.049016
100	76.810926
101	76.570609
102	76.328049
103	76.083231
104	75.836140
105	75.586762
106	75.335080
107	75.081080
108	74.824745
109	74.566061
110	74.305222
111	74.042215
112	73.777024
113	73.509634
114	73.240033
115	72.968203
116	72.694130
117	72.417799
118	72.139194
119	71.858302
120	71.575105
121	71.289589
122	71.001948
123	70.712169
124	70.420237
125	70.126137
126	69.829855
127	69.531376
128	69.230684
129	68.927765
130	68.622605
131	68.315186
132	68.005495

Number of
Fixed Rental Payment Date
on which Casualty Value
is Paid

Percentage of
Purchase Price
Payable as
Casualty Value

133	67.693515
134	67.379443
135	67.063263
136	66.744962
137	66.424525
138	66.101937
139	65.777183
140	65.450249
141	65.121121
142	64.789781
143	64.456217
144	64.120411
145	63.782350
146	63.442227
147	63.100031
148	62.755745
149	62.409356
150	62.060848
151	61.710207
152	61.357419
153	61.002468
154	60.645340
155	60.286020
156	59.924491
157	59.560739
158	59.194749
159	58.826505
160	58.455991
161	58.083191
162	57.708090
163	57.330673
164	56.950921
165	56.568820
166	56.184354
167	55.797505
168	55.408257
169	55.016593
170	54.622497
171	54.225952
172	53.826941
173	53.425446
174	53.021451
175	52.614937
176	52.205888
177	51.794285
178	51.380112
179	50.963350
180	50.543981
181	50.121987
182	49.697349

Number of
Fixed Rental Payment Date
on which Casualty Value
is Paid

Percentage of
Purchase Price
Payable as
Casualty Value

183	49.270049
184	48.840069
185	48.407391
186	47.971994
187	47.533861
188	47.092971
189	46.649307
190	46.202848
191	45.753576
192	45.301470
193	44.846511
194	44.388678
195	43.927952
196	43.464313
197	42.997740
198	42.528213
199	42.055710
200	41.580212
201	41.101698
202	40.620146
203	40.135534
204	39.647843
205	39.157049
206	38.663133
207	38.166070
208	37.665840
209	37.162421
210	36.655789
211	36.145924
212	35.632801
213	35.116399
214	34.596693
215	34.073662
216	33.547281
217	33.017528
218	32.487211
219	31.956326
220	31.424871
221	30.892842
222	30.360235
223	29.827046
224	29.293273
225	28.758910
226	28.223955
227	27.688403
228	27.152251
229	26.615496
230	26.078133
231	25.540159

Number of
Fixed Rental Payment Date
on which Casualty Value
is Paid

Percentage of
Purchase Price
Payable as
Casualty Value

232	25.001569
233	24.462360
234	23.922528
235	23.382069
236	22.840979
237	22.299254
238	21.756891
239	21.213884
240	20.670299
Thereafter	20.000000

SCHEDULE OF TERMINATION VALUE

*The Termination Value for an Item of Equipment payable on the 121st Fixed Rental payment date or any Fixed Rental payment date thereafter for such Item shall mean an amount equal to the product obtained by multiplying (i) the percent of the Purchase Price of such Item set forth opposite such date in the following schedule before taking into account any premium, if any, as set forth in Section 11.4 of the Lease times (ii) the Purchase Price of such Item:

<u>Number of Fixed Rental Payment Date on which Termination Value is Paid</u>	<u>Percentage of Purchase Price Payable as Termination Value</u>
121	70.109998
122	69.812692
123	69.513180
124	69.211447
125	68.907479
126	68.601259
127	68.292773
128	67.982006
129	67.668940
130	67.353562
131	67.035856
132	66.715805
133	66.393393
134	66.068815
135	65.742058
136	65.413104
137	65.081941
138	64.748551
139	64.412921
140	64.075034
141	63.734876
142	63.392429
143	63.047679
144	62.700610
145	62.351205
146	61.999660
147	61.645959
148	61.290088

*Termination Value does not include any amounts for which any Indemnatee (as defined in Section 10.2 of the Lease) may be entitled to indemnification under Sections 6 and/or 10.2 of the Lease.

(Dreyfus Trust No. 79-1)

SCHEDULE D
(to Equipment Lease)

Number of
Fixed Rental Payment Date
on which Termination Value
is Paid

Percentage of
Purchase Price
Payable as
Termination Value

149	60.932032
150	60.571774
151	60.209300
152	59.844595
153	59.477642
154	59.108425
155	58.736930
156	58.363140
157	57.987038
158	57.608610
159	57.227837
160	56.844705
161	56.459196
162	56.071293
163	55.680982
164	55.288242
165	54.893059
166	54.495415
167	54.095292
168	53.692673
169	53.287541
170	52.879878
171	52.469666
172	52.056887
173	51.641524
174	51.223557
175	50.802969
176	50.379741
177	49.953855
178	49.525292
179	49.094033
180	48.660058
181	48.223350
182	47.783888
183	47.341653
184	46.896626
185	46.448787
186	45.998116
187	45.544593
188	45.088198
189	44.628911
190	44.166711
191	43.701578
192	43.233490
193	42.762428
194	42.288370
195	41.811294
196	41.331181
197	40.848007
198	40.361751

Number of
Fixed Rental Payment Date
on which Termination Value
is Paid

Percentage of
Purchase Price
Payable as
Termination Value

199	39.872392
200	39.379908
201	38.884276
202	38.385474
203	37.883480
204	37.378271
205	36.869824
206	36.358116
207	35.843125
208	25.324826
209	34.803197
210	34.278213
211	33.749852
212	33.218088
213	32.682898
214	32.144258
215	31.602142
216	31.056527
217	30.507386
218	29.957529
219	29.406950
220	28.855646
221	28.303611
222	27.750842
223	27.197335
224	26.643083
225	26.088085
226	25.532333
227	24.975825
228	24.418555
229	23.860520
230	23.301714
231	22.742132
232	22.181770
233	21.620624
234	21.058688
235	20.495958
236	19.932429
237	19.368096
238	18.802955
239	18.237000
240	17.670299

SCHEDULE OF TAX ASSUMPTIONS

For Federal and state income tax purposes, it is assumed that the Trustor will be entitled to the full benefit of the Investment Tax Credit and the Depreciation Deductions, as hereinafter defined, with respect to each Item of Equipment, and to the Interest Deductions, as hereinafter defined, with respect to amounts paid as interest on the Notes.

"Investment Tax Credit" shall mean the credit allowed under Section 38 of the Code, computed on the basis that each Item of Equipment will be "new section 38 property" within the meaning of Section 48(b) with a useful life of 7 years or more, in an amount equal to 10% of the Purchase Price of each Item of Equipment, allowable for the taxable year of the Trustor ending December 31, 1979.

"Depreciation Deductions" shall mean depreciation deductions with respect to the Purchase Price of each Item of Equipment under Section 167(a) of the Code under the Class Life Asset Depreciation Range System authorized by Section 167(m) of the Code using a depreciable life of 12 years as permitted for assets described in asset guideline class 00.25, computed initially using the 200% declining balance method authorized by Section 167(b)(2) of the Code (with the annual allowance determined without reduction for salvage) and thereafter, without the consent of the Commissioner of Internal Revenue, and at the time most beneficial to the Trustor, switching to the sum of the years-digits method authorized by Section 167(b)(3) of the Code, to a salvage value of zero (after taking into account the reduction in salvage allowed by Section 167(f)).

"Interest Deductions" shall mean deductions allowed pursuant to Section 163 of the Code, in accordance with the Trustor's method of accounting, for amounts paid as interest on the Notes.

ESCROW AGREEMENT

Reference is made to an Equipment Lease dated as of January 1, 1979 (the "Lease") between Continental Illinois National Bank and Trust Company of Chicago, as Trustee (the "Lessor"), and Louis Dreyfus Corporation, as lessee (the "Lessee"), providing for the lease of certain railroad equipment (defined in the Lease as "Items of Equipment"). Pursuant to a Security Agreement dated as of January 1, 1979 (the "Security Agreement") the Lessor has assigned its rights in the Lease and the rentals and certain other sums due under the Lease to The Northwestern Mutual Life Insurance Company (the "Secured Party").

Section 1. Deposit of Escrowed Funds. Pursuant to Section 17.3 of the Lease, the Lessee will from time to time deposit an amount equal to the product obtained by multiplying (a) the Casualty Value (as defined in the Lease) for an Item of Equipment as of the date of making such deposit, times (b) the number of Items of Equipment intended for use in Canada as designated in the Lessee's written notice to the Lessor and the Secured Party and referred to in Section 17.3(b)(i) of the Lease. The Escrow Agent, by its execution of this Agreement, agrees to accept the amounts so deposited with the Escrow Agent (the "Escrow Fund"). The Escrow Fund shall be held in trust by the Escrow Agent in an interest bearing account and withdrawn and applied only for the purposes set forth in this Escrow Agreement.

Section 2. Disbursements from Escrow Fund. (a) So long as no Event of Default under the Lease shall have occurred and be continuing, and upon receipt by the Escrow Agent of a certificate in the form attached hereto as Exhibit 1 signed by the Lessee and approved in writing by the Lessor and the Secured Party, the Escrow Agent shall disburse to the Lessee from the Escrow Fund the amount authorized for disbursement in such certificate.

(b) If the Secured Party notifies the Escrow Agent that an Event of Default under the Lease has occurred and is continuing, all moneys on deposit with the Escrow Agent as part of the Escrow Fund shall be disbursed by the Escrow Agent to the Secured Party on the next business day following such notice for application in accordance with Section 4.4 of the Security Agreement. Neither the consent of the Lessee nor any other party shall be necessary for any disbursement under this Section 2(b) and the Escrow Agent shall not be liable to any party as a result of the disbursement made pursuant to any such notice of the Secured Party.

Section 3. Status of Escrow Fund. All moneys from time to time on deposit with the Escrow Agent as part of the Escrow Fund are hereby pledged and assigned to the Secured Party and shall at all times constitute security for the payment of principal, premium, if any, and interest on the Notes secured by the Security Agreement.

Section 4. Interest on Escrow Fund. So long as no Event of Default under the Lease shall have occurred and be continuing, any interest earned on the Escrow Fund shall be paid monthly by the Escrow Agent to the Lessee.

Section 5. Duties of Escrow Agent. It is expressly understood that the Escrow Agent accepts its duties under this Agreement subject to the following conditions:

(a) The Escrow Agent is expressly authorized to disregard in its sole discretion any and all notices or warnings given by any of the parties hereto or by any other person or corporation other than the certificates and notices expressly provided for herein, but the Escrow Agent is expressly authorized to regard and to comply with and obey any and all orders, judgments or decrees entered or issued by any court with or without jurisdiction, and in case the Escrow Agent obeys or complies with any such order, judgment or decree of any court it shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding the fact that any such order, judgment or decree may be entered without jurisdiction or be subsequently reversed, modified, annulled, set aside or vacated. In case of any suit or proceeding regarding this escrow to which the Escrow Agent is or may be at any time a party, the Lessee agrees upon demand of the Escrow Agent to pay the Escrow Agent all costs and attorneys' fees, whether such attorneys shall be regularly retained or specifically employed, and other expenses which the Escrow Agent may have incurred or become liable for on account thereof, but it is expressly understood that nothing herein contained shall entitle the Escrow Agent to, nor shall the Escrow Agent acquire or otherwise have a right to, a lien on or a right or reimbursement against any funds or instruments deposited with the Escrow Agent hereunder, or shall be deemed to obligate the Lessor or the Secured Party in respect of any such costs, fees and expenses.

(b) The Escrow Agent shall not be answerable for anything whatsoever in connection herewith which it shall do, or omit to do, in good faith.

(c) The Escrow Agent may accept an opinion of counsel concerning the propriety of any action taken or contemplated by it pursuant to any powers or rights herein conferred upon it, or concerning fulfillment of any conditions precedent to its rights and duties, or to the taking of any action, and the Escrow Agent shall not be answerable for any action taken, or omitted to be taken, in good faith in reliance on such opinion.

(d) The Escrow Agent shall not be answerable for any action taken pursuant to any notice or certificate provided for hereunder in the belief that the same is genuine and signed or acknowledged by a proper person.

(e) The Escrow Agent may resign by giving 15 days' written notice to each of the parties hereto at their respective addresses set forth in this Agreement; and will thereafter deliver the balance of the Escrow Fund then held by it to such successor escrow agent as shall be approved jointly by the Lessor and the Secured Party; provided that the Escrow Agent agrees that such resignation shall not become effective until appointment of a successor escrow agent by order or decree of a court having jurisdiction if the Lessor and the Secured Party shall fail to so appoint such successor within such 15-day period. The Escrow Agent, the Lessor or the Secured Party may request of any such court the appointment of such successor in the event of such failure of appointment by the Lessor and the Secured Party upon such resignation.

Section 6. Miscellaneous. (a) All fees, costs and expenses of the Escrow Agent shall be borne by the Lessee.

(b) Any notice or communication provided for herein shall be in writing and shall be deemed to have been given when delivered personally or otherwise actually received or five business days after being deposited in the United States mail (whichever is earlier), registered or certified, postage prepaid, addressed as follows:

If to the Escrow
Agent:

If to the Lessee: Louis Dreyfus Corporation
24 Richmond Hill Avenue
Stamford, Connecticut 06904
Attention: Treasurer

If to the Lessor: Continental Illinois National Bank
and Trust Company of Chicago,
as Trustee under Dreyfus Trust
No. 79-1
231 South LaSalle Street
Chicago, Illinois 60693
Attention: Corporate Trust
Department

If to the
Secured Party: The Northwestern Mutual Life
Insurance Company
720 East Wisconsin Avenue
Milwaukee, Wisconsin 53202
Attention: Securities Department

or at such other address as said parties, respectively, may indicate by notice given as provided in this Section.

(c) This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of _____.

(d) This Escrow Agreement may be executed in any number of counterparts each constituting an original but all together only one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed and delivered, all as of this _____ day of _____, 1979.

LESSEE: LOUIS DREYFUS CORPORATION

By _____
Its _____

LESSOR: CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF
CHICAGO, not in its individual
capacity but solely as Trustee
under Dreyfus Trust No. 79-1

By _____
Its _____

CERTIFICATE OF LOUIS DREYFUS CORPORATION
PURSUANT TO SECTION 2 OF
THE ESCROW AGREEMENT

The undersigned hereby certifies as follows:

1. He is the duly elected or appointed, qualified and acting _____ of Louis Dreyfus Corporation, a New York corporation (the "Lessee"), and is duly authorized and qualified to make this Certificate on behalf of the Lessee.

2. This Certificate is being made and delivered in compliance with Section 2 of the Escrow Agreement dated as of _____, 1979 among _____ (the "Escrow Agent"), the Lessee, Continental Illinois National Bank and Trust Company of Chicago, as trustee (the "Lessor"), and The Northwestern Mutual Life Insurance Company (the "Secured Party").

3. Pursuant to Section 17.3(b) of the Equipment Lease dated as of January 1, 1979 (the "Lease") between the Lessor and the Lessee, there is presently on deposit in the Escrow Fund with the Escrow Agent under the Escrow Agreement an amount equal to \$ _____. That amount represents the product obtained by multiplying (a) the number of Items of Equipment placed in Canadian Use in Unqualified Provinces pursuant to Section 17.3(b), times (b) the Casualty Value (as defined in the Lease) for an Item as of the respective dates of deposit. The Lessee has since removed _____ Items of Equipment from Canadian Use in Unqualified Provinces. Pursuant to said Section 17.3(b) the Lessee is entitled to withdraw from the Escrow Fund \$ _____, said amount being the product obtained by multiplying (x) the number of Items of Equipment so removed, times (y) the Casualty Value for an Item as of the respective dates of deposit. Accordingly, the Escrow Agent is hereby authorized and directed to disburse \$ _____ to the Lessee. Following such disbursement, the amount remaining in the Escrow Fund will be \$ _____.

IN WITNESS WHEREOF, I have executed and delivered this Certificate on behalf of LOUIS DREYFUS CORPORATION this _____ day of _____, 1979.

_____ as aforesaid

APPROVED:

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF
CHICAGO, as trustee

By _____
Its _____

THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY

By _____
Its _____